

Co. Secy

# Annual Report 1991-92

## COAL INDIA LIMITED

AR 1991





Coal for Power

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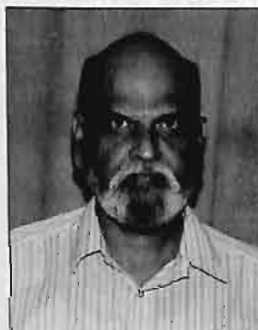
## **BOARD OF DIRECTORS**



*Shri S. K. Chowdhary*



*Shri B. K. Singh*



*Shri B. B. Srivastava*



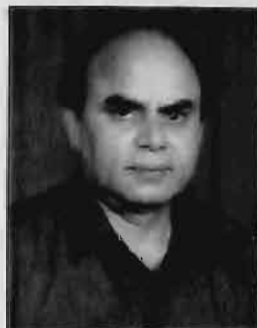
*Shri K. Kosalram*



*Shri P. K. Sengupta*



*Shri G. C. Mrig*



*Shri Abrar Ahmad*



*Shri R. A. P. Singh*



*Dr. S. K. Ghosh*

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**MEMBERS OF THE BOARD AS ON 28th September 1992**

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**CHAIRMAN**

Shri S. K. Chowdhary

**FUNCTIONAL DIRECTORS**

|                     |                                    |
|---------------------|------------------------------------|
| Shri P. K. Sengupta | - Finance                          |
| Dr. S. K. Ghosh     | - Technical                        |
| Shri R. A. P. Singh | - Personnel & Industrial Relations |

**DIRECTORS**

|                       |   |
|-----------------------|---|
| Shri B. K. Singh      | - Additional Secretary, Ministry of Coal                                  |
| Shri K. Kosal Ram     | - Joint Secretary & Financial Adviser,<br>Ministry of Coal                |
| Shri B. B. Srivastava | - Adviser (Traffic), Railway Board  |
| Prof. Abrar Ahmed     | - Head & Dean, Faculty of Management Studies,<br>Banaras Hindu University |
| Shri G. C. Mrig       | - Chairman-cum-Managing Director<br>Bharat Coking Coal Limited            |

**COMPANY SECRETARY**

Shri U. Suryanarayana

## MANAGEMENT DURING 1991-92

### CHAIRMAN

Shri S. K. Chowdhary  
(From 31st July, 1991)

Dr. M. P. Narayanan  
(Upto 31st July, 1991)

### FUNCTIONAL DIRECTORS

- |                     |   |  |
|---------------------|---|--|
| Shri P. K. Sengupta | - | Finance (From 30th May, 1991)                              |
| Dr. S. K. Ghosh     | - | Technical (From 15th July, 1991)                           |
| Shri R. A. P. Singh | - | Personnel & Industrial Relations<br>(From 15th July, 1992) |
| Shri U. K. Choubey  | - | Personnel & Industrial Relations<br>(Upto 21st Feb. 1992)  |

### DIRECTORS

- |                        |   |  |
|------------------------|---|--|
| Shri B. K. Singh       | - | Addl. Secretary, Ministry of Coal<br>(From 6th November 1990)  |
| Shri K. Kosal Ram      | - | Joint Secretary and Financial Adviser<br>Ministry of Coal (From 10th Nov. 1989)  |
| Sri N. Ramji           | - | Joint Secretary, Ministry of Power<br>(Upto 26th August, 1991)   |
| Shri M. Jha            | - | Chairman-cum-Managing Director<br>Northern Coalfields Limited<br>(Upto 30th June, 1991)                                    |
| Shri U. Kumar          | - | Chairman-cum-Managing Director<br>Northern Coalfields Limited<br>(From 26th August, 1991 to 2nd Dec '91)                   |
| Shri Akbar Hameed Jung | - | Joint Secretary, Ministry of Power<br>(From 7th Oct '91 to 2nd Dec. '91)   |
| Shri N. Sar            | - | Chairman-cum-Managing Director<br>Eastern Coalfields Limited<br>(From 26th Aug. '91 to 2nd Dec. '91)                       |
| Shri R. B. Mathur      | - | Chairman-cum-Managing Director<br>South Eastern Coalfields Limited<br>(From 26th Aug. '91 to 2nd Dec. '91)                 |
| Shri R. N. Mishra      | - | Chairman-cum-Managing Director<br>Central Mine Planning & Design Institute Limited<br>(From 26th Aug. '91 to 2nd Dec. '91) |
| Shri S. P. Varma       | - | Chairman-cum-Managing Director<br>Western Coalfields Limited<br>(From 26th Aug. '91 to 2nd Dec. '91)                       |

- |                      |   |
|----------------------|---|
| Shri S. K. Roy       | - Director (Operations)<br>Steel Authority of India Limited<br>(From 2nd Dec. '91 to 29th Feb. '92)       |
| Shri M. S. Ahluwalia | - Member (Operations) Central Electricity Authority<br>(From 2nd Dec. '91 to 19th Feb. '92)               |
| Shri A. Valliappan   | - Chairman-cum-Managing Director<br>Singareni Collieries Co. Ltd.<br>(From 2nd Dec. '91 to 26th June '92) |
| Shri S. P. Puri      | - Chairman-cum-Managing Director<br>Western Coalfields Limited<br>(Upto 31st July, 1991)                  |
| Shri S. P. Mathur    | - Chairman-cum-Managing Director<br>Eastern Coalfields Limited<br>(Upto 30th June, 1991)                  |
| Prof. Abrar Ahmed    | - Head & Dean, Faculty of Management Studies,<br>Banaras Hindu University<br>(From 19th Feb. '92)         |
| Shri S. K. Dasgupta  | - Member (Thermal & Operation)<br>Central Electricity Authority<br>(From 30th Mar. '92 to 26th June '92)  |

**COMPANY SECRETARY**

Shri U. Suryanarayana



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## **BANKERS & AUDITORS**

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State Bank of India  
Punjab National Bank  
Syndicate Bank  
United Bank of India  
Canara Bank  
ANZ Grindlays Bank  
Bank of Baroda

### **Statutory Auditors**

M/S J. Gupta & Co.  
Chartered Accountants  
12, Waterloo Street  
Waterloo Mansion  
Calcutta - 700 069

### **Branch Auditors**

M/S Ghoshal & Co.  
Chartered Accountants  
4, Ganesh Chandra Avenue  
Calcutta - 700 013

M/S Sadashiv & Co.  
Chartered Accountants  
11-14, Homi Modi Street  
Fort, Bombay - 400 023

M/s Jindal & co.  
Chartered Accountants  
3803, David Street  
Daryaganj,  
Delhi - 110 002

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## NOTICE OF THE EIGHTEENTH ANNUAL GENERAL MEETING OF COAL INDIA LIMITED

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Notice is hereby given to all Shareholders of Coal India Limited that the Eighteenth Annual General meeting of the Company will be held on Monday, the 28th September, 1992 at 12.30 PM at the Registered Office of the Company at "Coal Bhawan" 10, Netaji Subhas Road, Calcutta to transact the following business :

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 1992 and Profit and Loss Account for the year ended 31st March, 1992 together with the Reports of Statutory Auditors, Comptroller & Auditor General of India and Directors' thereon.
2. To appoint a Director in place of Shri B. K. Singh who retires in terms of Article 33(d) (iii) of the Articles of Association of the Company and is eligible for re-appointment.
3. To appoint a Director in place of Shri K. Kosal Ram who retires in terms of Article 33(d)(iii) of the Articles of Association of the Company and is eligible for re-appointment.
4. To appoint a Director in place of Shri B.B. Srivastava who retires in terms of Article 33(d)(iii) of the Articles of Association of the Company and is eligible for re-appointment.
5. To appoint a Director in place of Shri G.C. Mrig who retires in terms of Article 33(d)(iii) of the Articles of Association of the Company and is eligible for re-appointment.

By order of the Board

Calcutta  
Dated 25th Sept'92

Sd/-  
U. SURYANARAYANA  
Company Secretary

**Note :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and that the proxy need not be a member of the Company.
2. The Shareholders are requested to give their consent for calling the Annual General Meeting at a shorter notice pursuant to the provisions of the Sec.171(2)(i) of the Companies Act, 1956.

## CHAIRMAN'S STATEMENT

Friends,

I have pleasure in welcoming you to the 18th Annual General Meeting of your Company. The report of the Directors on the performance of your Company and its Subsidiaries for the year 1991-92 is already with you.

I am happy to report that the performance of your Company as a whole during the year under review has been commendable. Raw Coal production recorded an all time high of 204.14 Million Tonnes against the target of 203 Million Tonnes for the year and actual production of 189.68 Million Tonnes in 1990-91. Thus a growth of 7.64% over last year has been achieved. The declining trend of underground production has been reversed and a growth of over 5 lakh tonnes has been achieved during the year 1991-92. The overall output per manshift has improved to 1.41 tonnes from 1.31 tonnes in the previous year registering a growth of 6.9%. Continuing efforts in optimisation of equipment utilisation, rationalisation of manpower and introduction of effective cost control measures have brought about significant upswing in production and productivity coupled with reduction in unit cost of production in real term.

Coal India Limited and its Subsidiaries earned an all time high profit of Rs. 167.07 Crores during the year compared to the loss of Rs. 253.17 Crores in the previous year.

Your Company is facing a severe power shortage especially from Eastern Region to the mines in ECL, BCCL and CCL. The overall availability of power during 1991-92 was around 399.8 MVA as against the demand of 509.5 MVA. To improve availability of power in the mines, captive power plant at Chinakuri has already been commissioned and power plants at Moonidih and Kathara are under installation. Efforts are also being made for



installation of more captive power plants in other mining locations to overcome the problems arising from power shortage.

Raw Coal despatches during the year have increased to 194.24 Million Tonnes. Increase over previous year is 16.05 Million Tonnes, the growth being 9.17%. Wagon loading during the year was also an all time high. On an average 14329 four wheelers were loaded daily as against the previous year's average loading of 13330.

On the whole, it would be appropriate to say that the year 1991-92 was an year of all-round improvement in Coal India's performance.

Your company has welcomed the liberalised industrial policy of the Government of India to make the industry economically viable. In order to mitigate the resource gap and obtain gainful utilisation of coal and coal products, your company proposes :

- i) to encourage the consumers to set up washeries for beneficiation of non-coking coal.
- ii) Setting up of Captive Power Generating Units by Private entrepreneurs using washery rejects.

Your company could improve collection

of Coal Sales dues during the year by 15% from the previous year mainly due to introduction of "Cash and Carry" system from 1st Oct. 1991 covering despatches of the Power Sector. However, due to severe cut in the Budgetary Support your company will have to largely depend upon generation of internal resources for financing Capital outlay.

Your company maintained the past trend of providing greater emphasis on safety of all employees through strengthening of internal safety organisations, participation of workmen in safety management, training and rescue activities and various other measures. The fatality and serious injury rates per M.T. of Coal Production in your company have been reduced to 0.60 and 2.21 respectively in 1991 from 0.75 and 3.13 in the previous year and 2.05 and 17.30 in the year 1973.

Your Company has signed a Memorandum of understanding (MOU) with the Government of India Ministry of Coal, on 12th May 1992 relating to the performance for the year 1992-93.

I am confident that with the dedicated performance at all levels and timely implementation of our action plan in cost effective manner, we will be able to achieve "Excellence in Performance."

I would like to thank our consumers, suppliers, State Governments, Ministry of Coal and other Ministries/Departments in the Central Government, all the Trade Unions and all our employees and their families for their unstinted support, co-operation and guidance provided during 1991-92.

S.K. Chowdhary  
Chairman

Calcutta,  
28th September, 1992

*Hon'ble Minister for Coal Sri P.A. Sangma, Secretary (Coal) Sri S. K. Lall, Chairman Coal India Sri S.K. Chowdhary in an Award for Excellence ceremony held at Calcutta*



## OPERATIONAL STATISTICS

| Year Ending 31st March   | 1992          | 1991          | 1990          | 1989          | 1988          | 1987          | 1986          | 1985          | 1984          | 1983          | 1982          |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1 a) <b>Production of Raw Coal (M. Tonnes)</b>                                     |               |               |               |               |               |               |               |               |               |               |               |
| Under Ground   | 56.63         | 56.10         | 58.71         | 61.28         | 59.04         | 60.07         | 59.95         | 60.50         | 61.39         | 61.12         | 63.27         |
| Opencast   | 147.51        | 133.58        | 119.89        | 110.22        | 99.98         | 84.70         | 74.16         | 70.31         | 60.02         | 53.56         | 45.67         |
| <b>Total</b>   | <b>204.14</b> | <b>189.68</b> | <b>178.60</b> | <b>171.50</b> | <b>159.02</b> | <b>144.77</b> | <b>134.11</b> | <b>130.81</b> | <b>121.41</b> | <b>114.68</b> | <b>108.94</b> |
| b) <b>Over Burden Removal (Mech.O/C)</b>   |               |               |               |               |               |               |               |               |               |               |               |
| (Million Cub. Mts.)  | 298.96        | 284.76        | 278.44        | 246.22        | 212.04        | 185.62        | 149.52        | 132.94        | 115.61        | 93.59         | 80.91         |
| 2. Average Manpower  | 672217        | 670515        | 669072        | 672231        | 674004        | 672960        | 671336        | 664847        | 652637        | 638914        | 622930        |
| 3. <b>Productivity :</b>   |               |               |               |               |               |               |               |               |               |               |               |
| A. Average per Man per year (tonnes)   | 303.71        | 282.84        | 266.94        | 255.12        | 235.93        | 215.12        | 199.77        | 196.75        | 186.03        | 179.49        | 174.88        |
| B. <b>Output per manshift (OMS)</b>  |               |               |               |               |               |               |               |               |               |               |               |
| i) Under Ground (Tonnes)   | 0.53          | 0.54          | 0.55          | 0.57          | 0.54          | 0.54          | 0.53          | 0.53          | 0.53          | 0.52          | 0.55          |
| ii) Open Cast (Tonnes)   | 3.70          | 3.34          | 3.06          | 2.91          | 2.65          | 2.44          | 2.24          | 2.10          | 1.91          | 1.99          | 1.81          |
| iii) Overall (Tonnes)  | 1.40          | 1.31          | 1.21          | 1.15          | 1.08          | 0.99          | 0.92          | 0.87          | 0.82          | 0.79          | 0.77          |
| 4. Earning per Manshift (Rs.-as per cost)  | 164.63        | 153.79        | 146.24        | 140.47        | 108.16        | 106.70        | 91.35         | 85.20         | 79.17         | 58.82         | 54.96         |
| 5. Average cost of production of net saleable Raw coal (Rs. per tonne-as per cost) | 298.59        | 277.18        | 264.69        | 252.91        | 229.46        | 221.54        | 213.97        | 190.63        | 183.69        | 152.02        | 137.15        |
| 6. Average Sale Value of net saleable Raw coal (Rs. per tonne-as per cost)         | 296.22        | 268.16        | 273.60        | 252.29        | 215.41        | 202.80        | 190.87        | 188.18        | 159.98        | 155.77        | 138.09        |

## FINANCIAL POSITION

|   | (Rs. Crores)   |                |                |                |                |                |                |                |                |                |                |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| As at 31st March  | 1992           | 1991           | 1990           | 1989           | 1988           | 1987           | 1986           | 1985           | 1984           | 1983           | 1982           |
| <b>A. What is owned</b>   |                |                |                |                |                |                |                |                |                |                |                |
| Gross Fixed Assets  | 10423.77       | 8917.20        | 7506.93        | 6425.84        | 5495.21        | 4701.06        | 4029.65        | 3202.10        | 2636.41        | 2098.01        | 1612.59        |
| Less: Depreciation  | 4124.66        | 3480.56        | 2900.54        | 2417.72        | 2011.72        | 1661.19        | 1400.49        | 1119.34        | 872.43         | 691.04         | 532.83         |
| <b>Net Fixed Assets</b>   | <b>6299.11</b> | <b>5436.64</b> | <b>4606.39</b> | <b>4008.12</b> | <b>3483.49</b> | <b>3039.87</b> | <b>2629.16</b> | <b>2082.76</b> | <b>1763.98</b> | <b>1406.97</b> | <b>1079.76</b> |
| Capital Work-in-Progress  | 2372.09        | 2124.47        | 2133.83        | 1824.16        | 1443.68        | 1179.63        | 834.09         | 786.57         | 649.56         | 491.39         | 316.19         |
| Misc. expenditure etc. to the extent not written off /adj./invested | 117.75         | 70.65          | 27.33          | 4.67           | 5.81           | 8.34           | 5.23           | 2.74           | 2.94           | 3.21           | 25.63          |
| <b>Current Assets :</b>   |                |                |                |                |                |                |                |                |                |                |                |
| Inventories   | 2123.33        | 1679.69        | 1463.66        | 1323.12        | 1070.80        | 982.22         | 892.43         | 900.60         | 760.73         | 642.58         | 516.49         |
| Sundry Debtors  | 1390.30        | 1433.75        | 1441.93        | 988.49         | 722.73         | 465.45         | 399.55         | 377.46         | 379.18         | 222.36         | 176.84         |
| Cash & Bank Balance   | 146.33         | 181.75         | 174.90         | 161.71         | 142.37         | 141.70         | 118.68         | 121.81         | 235.23         | 107.50         | 72.71          |
| Loans & Advances  | 849.39         | 1082.09        | 820.06         | 564.97         | 651.68         | 780.70         | 883.09         | 933.52         | 847.40         | 662.88         | 524.30         |
| Total Current Assets  | 4509.35        | 4377.28        | 3900.55        | 3038.29        | 2587.58        | 2370.07        | 2293.75        | 2333.39        | 2222.54        | 1635.32        | 1290.34        |
| Less: Current Liabilities   | 3864.66        | 3399.67        | 2828.33        | 2512.43        | 2094.79        | 1879.36        | 1552.08        | 1375.50        | 1373.67        | 906.88         | 779.38         |
| <b>Net Current Assets</b>   | <b>644.69</b>  | <b>977.61</b>  | <b>1072.22</b> | <b>525.86</b>  | <b>492.79</b>  | <b>490.71</b>  | <b>741.67</b>  | <b>957.89</b>  | <b>848.87</b>  | <b>728.44</b>  | <b>510.96</b>  |
| <b>Total (A)</b>  | <b>9434.84</b> | <b>8609.37</b> | <b>7839.77</b> | <b>6362.81</b> | <b>5425.77</b> | <b>4718.55</b> | <b>4210.15</b> | <b>3829.96</b> | <b>3265.35</b> | <b>2630.01</b> | <b>1932.54</b> |

(Rs. Crores)

| As at 31st March   | 1992           | 1991           | 1990           | 1989           | 1988           | 1987           | 1986           | 1985           | 1984           | 1983           | 1982           |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>B. What is owed :</b>                                 |                |                |                |                |                |                |                |                |                |                |                |
| Govt. Loan & Over due interest                           | 4899.76        | 4725.72        | 4430.50        | 3924.69        | 3670.18        | 2993.64        | 2869.64        | 2482.89        | 2191.59        | 1717.82        | 1453.45        |
| Intercompany Loan  | 225.00         | 100.00         | 125.00         | 100.00         |                |                |                |                |                |                |                |
| Other Loans (foreign credits, bonds, pub. deposits etc.) | 1047.51        | 858.43         | 380.98         | 46.67          | 40.20          | 25.46          |                |                |                |                |                |
| Bank Loan (overdrafts etc.)                              | 341.89         | 355.04         | 333.98         | 168.41         | 189.63         | 200.27         | 122.00         | 152.90         | 182.92         | 112.15         | 64.62          |
| Less: Overdue interest incl. in                          |                |                |                |                |                |                |                |                |                |                |                |
| Current Liabilities                                      | (-)1025.53     | (-)921.45      | (-)685.90      | (-)605.09      | (-)580.05      | (-)278.02      | (-)341.27      | (-)309.15      | (-)264.30      | (-)154.19      | (-)133.88      |
| <b>Total (B)</b>   | <b>5488.63</b> | <b>5117.74</b> | <b>4584.56</b> | <b>3634.68</b> | <b>3319.96</b> | <b>2941.35</b> | <b>2650.37</b> | <b>2326.64</b> | <b>2110.21</b> | <b>1675.78</b> | <b>1384.19</b> |
| <b>Net Worth (A - B)</b>                                 | <b>3946.01</b> | <b>3491.63</b> | <b>3255.21</b> | <b>2728.13</b> | <b>2105.81</b> | <b>1777.20</b> | <b>1559.78</b> | <b>1503.32</b> | <b>1155.14</b> | <b>954.23</b>  | <b>548.35</b>  |

**Represented by :**

|                           |                |                |                |                |                |                |                |                |                |               |               |
|---------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|---------------|
| Equity Capital            | 6000.76        | 5713.31        | 5223.86        | 4764.16        | 4120.34        | 3559.50        | 3012.31        | 2556.69        | 2131.65        | 1691.25       | 1286.89       |
| (Incl. pending allotment) |                |                |                |                |                |                |                |                |                |               |               |
| Reserves                  | 299.24         | 277.30         | 280.95         | 289.64         | 245.22         | 251.42         | 206.82         | 162.49         | 131.56         | 104.86        | 73.36         |
| Profit/Loss               | (-)2353.99     | (-)2498.98     | (-)2249.60     | (-)2325.67     | (-)2259.75     | (-)2033.72     | (-)1659.35     | (-)1215.86     | (-)1108.07     | (-)841.88     | (-)811.90     |
| (+) (-)                   |                |                |                |                |                |                |                |                |                |               |               |
| <b>Net Worth</b>          | <b>3946.01</b> | <b>3491.63</b> | <b>3255.21</b> | <b>2728.13</b> | <b>2105.81</b> | <b>1777.20</b> | <b>1559.78</b> | <b>1503.32</b> | <b>1155.14</b> | <b>954.23</b> | <b>548.35</b> |

| Year Ending 31st March                           | 1992           | 1991           | 1990           | 1989           | 1988           | 1987           | 1986           | 1985           | 1984           | 1983           | 1982           |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>A) Earned from</b>                            |                |                |                |                |                |                |                |                |                |                |                |
| Gross Sales                                      | 7475.50        | 6295.95        | 6278.32        | 5600.09        | 4398.47        | 3741.26        | 3293.10        | 2937.83        | 2280.72        | 1963.27        |                |
| Less Coal From Development Mines                 | 12.08          | 46.35          | 51.01          | 97.58          | 27.69          | 26.82          | 6.22           |                |                |                |                |
| Less Levies (Royalties, cess, etc.)              | 1454.00        | 1154.58        | 1408.28        | 1314.09        | 946.77         | 759.22         | 573.97         | 498.98         | 288.69         | 231.30         |                |
| <b>Net Sales</b>                                 | <b>6009.42</b> | <b>5095.02</b> | <b>4819.03</b> | <b>4188.42</b> | <b>3424.01</b> | <b>2955.22</b> | <b>2712.91</b> | <b>2438.85</b> | <b>1992.03</b> | <b>1731.97</b> | <b>1444.27</b> |
| Accretion / Decretion in Stock                   | 394.76         | 108.19         | 79.13          | 236.89         | 60.07          | 51.77          | (-)32.88       | 92.41          | 32.20          | 67.76          | 39.63          |
| Boiler & Domestic Consumption of Coal, Coke etc. | 136.98         | 140.02         | 123.31         | 115.60         | 97.66          | 92.05          | 87.21          | 80.74          | 71.71          | 46.59          | 48.93          |
| <b>Other Revenue Receipts :</b>                  |                |                |                |                |                |                |                |                |                |                |                |
| C.M.P.D.I.L                                      | 59.21          | 62.58          | 60.33          | 57.73          | 43.42          | 39.37          | 32.58          | 28.34          | 28.49          | 21.27          | 17.13          |
| Others   | 235.69         | 177.97         | 167.74         | 136.23         | 119.03         | 104.86         | 100.87         | 82.46          | 71.00          | 56.47          | 43.26          |
| Coal Price Regulation Account                    |                |                |                | 36.62          | 59.82          | (-)29.83       | (-)48.45       |                | 42.79          | (-)42.79       |                |
| <b>Total (A)</b>                                 | <b>6836.06</b> | <b>5583.78</b> | <b>5249.54</b> | <b>4771.49</b> | <b>3804.01</b> | <b>3213.44</b> | <b>2852.24</b> | <b>2722.80</b> | <b>2238.22</b> | <b>1881.27</b> | <b>1593.22</b> |

|                                  | (Rs. Crores)    |                 |                 |                 |                 |                 |                 |                 |                 |                |                |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|----------------|
| As at 31st March                 | 1992            | 1991            | 1990            | 1989            | 1988            | 1987            | 1986            | 1985            | 1984            | 1983           | 1982           |
| <b>B) Paid to/Provided for :</b> |                 |                 |                 |                 |                 |                 |                 |                 |                 |                |                |
| Employees Remu. & benefits       |                 |                 |                 |                 |                 |                 |                 |                 |                 |                |                |
| (Gross-Rev.)                     | 2848.55         | 2555.02         | 2406.75         | 2309.61         | 1775.59         | 1756.69         | 1467.11         | 1405.94         | 1295.06         | 940.61         | 844.78         |
| Less: Trans. to oth. heads       | 177.62          | 178.13          | 194.65          | 311.34          | 85.83           | 140.48          | 100.31          | 102.46          | 109.35          | 37.58          | 35.84          |
| Net Salary & Wages               | 2670.93         | 2376.89         | 2212.10         | 1998.27         | 1689.76         | 1616.21         | 1366.80         | 1303.48         | 1185.71         | 903.03         | 808.94         |
| Social Overheads                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                |                |
| (Incl. domestic coal)            | 454.92          | 364.82          | 316.42          | 331.83          | 284.77          | 235.89          | 196.55          | 194.89          | 152.54          | 115.73         | 98.48          |
| S/O Dep. & Int.                  |                 |                 |                 |                 |                 |                 |                 |                 |                 |                |                |
| (Incl. in Dep. & Interest)       | (-)29.51        | (-)24.77        | (-)18.89        | (-)16.48        | (-)14.22        | (-)14.83        | (-)10.50        | (-)8.23         | (-)6.30         | (-)4.59        | (-)3.23        |
| Stores & Spares (Gross-Rev.)     | 1058.91         | 895.11          | 780.48          | 657.59          | 588.18          | 519.43          | 448.60          | 398.55          | 350.19          | 293.70         | 230.11         |
| Less: Trns. to oth. heads        | 30.63           | 33.14           | 37.71           | 26.30           | 19.25           | 33.41           | 16.16           | 16.27           | 7.78            | 9.47           | 7.75           |
| Net Stores & Spares              | 1028.28         | 861.97          | 742.77          | 631.29          | 568.93          | 486.02          | 432.44          | 382.28          | 342.41          | 284.23         | 222.36         |
| Power & Fuel                     | 447.98          | 376.65          | 329.41          | 314.72          | 275.02          | 246.04          | 209.81          | 181.01          | 149.32          | 122.03         | 95.60          |
| Contractors (trans. & repairs)   | 413.71          | 373.09          | 344.68          | 276.09          | 254.52          | 204.68          | 194.25          | 149.49          | 118.77          | 107.90         | 75.80          |
| Misc. Expenses & Provisions      | 485.74          | 425.16          | 351.60          | 375.57          | 272.68          | 249.88          | 319.96          | 161.07          | 144.02          | 81.61          | 80.72          |
| Interest                         | 566.95          | 472.23          | 366.77          | 279.53          | 319.47          | 166.12          | 228.09          | 181.13          | 139.05          | 120.25         | 88.24          |
| Depreciation                     | 670.59          | 578.65          | 469.69          | 422.99          | 376.19          | 306.78          | 265.45          | 219.03          | 179.83          | 140.78         | 104.16         |
| O.B.R. Adjustment                | 7.98            | (-)20.61        | (-)29.67        | 42.56           | 49.89           | (-)2.26         | 1.79            | 9.05            | 8.88            | (-)4.39        | (-)9.55        |
| Prior Period Adj.                |                 |                 |                 |                 |                 |                 |                 |                 |                 |                |                |
| (excl. int., dep. & C.P.R.A.)    | (-)48.58        | 52.87           | 84.53           | 138.38          | (-)48.36        | 50.66           | 51.78           | 27.63           | 66.67           | 20.03          | 26.07          |
| <b>Total (B)</b>                 | <b>6668.99</b>  | <b>5836.95</b>  | <b>5169.41</b>  | <b>4794.75</b>  | <b>4028.65</b>  | <b>3545.19</b>  | <b>3256.42</b>  | <b>2800.83</b>  | <b>2480.90</b>  | <b>1886.61</b> | <b>1587.59</b> |
| Profit/Loss for the year (A-B)   | 167.07          | (-)253.17       | 80.13           | (-)23.26        | (-)224.64       | (-)331.75       | (-)404.18       | (-)78.03        | (-)242.68       | (-)5.34        | 5.63           |
| Investment Allowance Reserve     | (-)21.62        | 4.38            | (-)0.09         | (-)42.34        |                 | (-)42.19        | (-)39.31        | (-)29.49        | (-)23.36        | (-)24.19       | (-)32.94       |
| Income Tax                       | (-)0.46         | (-)0.59         | (-)3.87         | (-)0.42         | (-)1.39         | (-)0.43         |                 | (-)0.27         | (-)0.15         | (-)0.45        |                |
| Cum. Profit/Loss b/f from the    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                |                |
| Previous year                    | (-)2498.98      | (-)2249.60      | (-)2325.77      | (-)2259.75      | (-)2033.72      | (-)1659.35      | (-)1215.86      | (-)1108.07      | (-)841.88       | (-)811.90      | (-)784.59      |
| <b>Cum. P/L trns. to</b>         |                 |                 |                 |                 |                 |                 |                 |                 |                 |                |                |
| <b>Balance Sheet</b>             | <b>-2353.99</b> | <b>-2498.98</b> | <b>-2249.60</b> | <b>-2325.77</b> | <b>-2259.75</b> | <b>-2033.72</b> | <b>-1659.35</b> | <b>-1215.86</b> | <b>-1108.07</b> | <b>-841.88</b> | <b>-811.90</b> |

# **IMPORTANT FINANCIAL INFORMATION & RELATIVE RATIOS**

## **A. FINANCIAL INFORMATION**

(Rs. Crores)

| Year Ending 31st March   | 1992           | 1991           | 1990           | 1989           | 1988           | 1987           | 1986           | 1985           | 1984           | 1983           | 1982           |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 1. a) Equity (Yearend)   | 6000.76        | 5713.31        | 5223.86        | 4764.16        | 4120.34        | 3559.50        | 3012.31        | 2556.69        | 2131.65        | 1691.25        | 1286.89        |
| b) Net Worth   | 3946.01        | 3491.63        | 3255.21        | 2728.13        | 2105.81        | 1777.20        | 1559.78        | 1503.32        | 1155.14        | 954.23         | 548.35         |
| 2. a) Loan from Govt. of India<br>(including overdue Interest) | 4899.76        | 4725.72        | 4430.50        | 3924.69        | 3670.18        | 2993.64        | 2869.64        | 2482.89        | 2191.59        | 1717.82        | 1453.45        |
| b) Intercorporate Loan &<br>Foreign Credits                    | 1272.51        | 958.43         | 505.98         | 146.67         | 40.20          | 25.46          |                |                |                |                |                |
| <b>Total Loan (2)</b>  | <b>6172.27</b> | <b>5684.15</b> | <b>4936.48</b> | <b>4071.36</b> | <b>3710.38</b> | <b>3019.10</b> | <b>2869.64</b> | <b>2482.89</b> | <b>2191.59</b> | <b>1717.82</b> | <b>1453.45</b> |
| 3. Capital Employed  | 6991.63        | 6424.33        | 5668.00        | 4533.98        | 3976.28        | 3530.58        | 3370.83        | 3040.65        | 2612.85        | 2135.41        | 1590.72        |
| 4. a) Gross Margin   | 1404.61        | 797.71         | 916.59         | 679.26         | 471.02         | 141.15         | 89.36          | 322.13         | 76.20          | 255.69         | 198.03         |
| b) Gross Profit  | 734.02         | 219.06         | 446.90         | 256.27         | 94.83          | (-)165.63      | (-)176.09      | 103.10         | (-)103.63      | 114.91         | 93.87          |
| c) Net Profit (before Tax<br>& Inv. Allowance)                 | 167.07         | -253.17        | 80.13          | -23.26         | -224.64        | -331.75        | -404.18        | -78.03         | -242.68        | -5.34          | 5.63           |
| 5. a) Gross Sales  | 7475.50        | 6295.95        | 6278.32        | 5600.09        | 4398.47        | 3741.26        | 3293.10        | 2937.83        | 2280.72        | 1963.27        |                |
| b) Net Sales<br>(after levies, dev. & prov. etc)               | 6009.42        | 5095.02        | 4819.03        | 4188.42        | 3424.01        | 2955.22        | 2712.91        | 2438.85        | 1992.03        | 1731.97        | 1444.27        |
| c) Paid/Payable Amount<br>of Royalty, cess etc.                | 1454.00        | 1154.58        | 1408.28        | 1314.09        | 946.77         | 759.22         | 573.97         | 498.98         | 288.69         | 231.30         |                |
| d) Avg. Gross Sales per month                                  | 622.96         | 524.66         | 523.19         | 466.67         | 366.54         | 311.77         | 274.43         | 244.82         | 190.06         | 163.61         |                |
| e) Avg. Net Sales per month                                    | 500.79         | 424.59         | 401.59         | 349.04         | 285.33         | 246.27         | 226.08         | 203.24         | 166.00         | 144.33         | 120.36         |
| 6. a) Total expenditures                                       | 6668.99        | 5836.95        | 5169.41        | 4794.75        | 4028.65        | 3545.19        | 3256.42        | 2800.83        | 2480.90        | 1886.61        | 1587.59        |
| b) Sal & Wages (Gross-REV-only)                                | 2848.55        | 2555.02        | 2406.75        | 2309.61        | 1775.59        | 1756.69        | 1467.11        | 1405.94        | 1295.06        | 940.61         | 844.78         |
| c) Stores & Spares<br>(Gross-REV. only)                        | 1058.91        | 895.11         | 780.48         | 657.59         | 588.18         | 519.43         | 448.60         | 398.55         | 350.19         | 293.70         | 230.11         |
| d) Power & Fuel  | 447.98         | 376.65         | 329.41         | 314.72         | 275.02         | 246.04         | 209.81         | 181.01         | 149.32         | 122.03         | 95.60          |
| e) Int. & Depreciations<br>(Gross-REV. only)                   | 1237.54        | 1050.88        | 836.46         | 702.52         | 695.66         | 472.90         | 493.54         | 400.16         | 318.88         | 261.03         | 192.40         |
| 7. a) Social Overheads<br>(Includ. LTC/LLTC etc.)              | 454.92         | 364.82         | 316.42         | 331.83         | 284.77         | 235.89         | 196.55         | 194.89         | 152.54         | 115.73         | 98.48          |
| b) Social Overhead Expenditure<br>per employee (Rs.000)        | 6.77           | 5.44           | 4.73           | 4.94           | 4.23           | 3.51           | 2.93           | 2.93           | 2.34           | 1.81           | 1.58           |
| 8. a) Value added  | 5088.02        | 4139.22        | 3977.21        | 3652.06        | 2784.27        | 2406.71        | 2157.57        | 2077.05        | 1632.70        | 1461.33        | 1232.00        |
| b) Value Added per Employee<br>(Rs.000)                        | 75.69          | 61.73          | 59.44          | 54.33          | 41.31          | 35.76          | 32.14          | 31.24          | 25.02          | 22.87          | 19.78          |
| 9. Closing Stock of :  |                |                |                |                |                |                |                |                |                |                |                |
| a) Stores & Spares   | 695.26         | 658.22         | 571.09         | 506.07         | 474.79         | 441.18         | 379.95         | 376.38         | 342.51         | 282.13         | 221.66         |
| b) Coal, Cokes etc.  | 1404.69        | 999.53         | 875.21         | 793.03         | 585.79         | 530.96         | 481.65         | 524.22         | 417.85         | 360.46         | 291.78         |
| 10. a) Total Assets<br>(N.F.A.+C.W.I.P.+C.A.)                  | 13181.55       | 11938.39       | 10640.77       | 8870.57        | 7514.75        | 6589.57        | 5757.00        | 5202.72        | 4636.08        | 3533.68        | 2686.29        |
| b) Net Fixed Assets  | 6299.11        | 5436.64        | 4606.39        | 4008.12        | 3483.49        | 3039.87        | 2629.16        | 2082.76        | 1763.98        | 1406.97        | 1079.76        |
| 11. Net Current Assets<br>(Working Capital)                    | 644.69         | 977.61         | 1072.22        | 525.86         | 492.79         | 490.71         | 741.67         | 957.89         | 848.87         | 728.44         | 510.96         |
| 12. Average Stock of Stores<br>& Spares                        | 676.74         | 614.66         | 538.58         | 490.43         | 457.99         | 410.57         | 378.17         | 359.45         | 312.32         | 251.90         | 186.35         |
| 13. Cost of Goods Sold<br>(Sales-Profit)                       | 5842.35        | 5348.19        | 4738.90        | 4211.68        | 3648.65        | 3286.97        | 3117.09        | 2516.88        | 2234.71        | 1737.31        | 1438.64        |
| 14. a) Consumption of Stores<br>& Spares                       | 1028.28        | 861.97         | 742.77         | 631.29         | 568.93         | 486.02         | 432.44         | 382.28         | 342.41         | 284.23         | 222.36         |
| b) Avg. Consump. of Stores<br>& Spares per month               | 85.69          | 71.83          | 61.90          | 52.61          | 47.41          | 40.50          | 36.04          | 31.86          | 28.53          | 23.69          | 18.53          |
| 15. a) Sundry Debtors (Net)                                    | 1390.30        | 1433.75        | 1441.83        | 988.49         | 722.73         | 465.45         | 399.55         | 377.46         | 379.18         | 222.36         | 176.84         |
| b) Sundry Debtors (Gross)                                      | 1926.77        | 1894.94        | 1856.96        | 1349.40        | 983.10         | 676.92         | 532.02         | 504.84         | 485.46         | 304.11         | 246.17         |

**B. FINANCIAL RATIOS/PERCENTAGES**

| Year Ending 31st March   | 1992  | 1991    | 1990  | 1989    | 1988    | 1987     | 1986     | 1985    | 1984     | 1983    | 1982  |
|--|-------|---------|-------|---------|---------|----------|----------|---------|----------|---------|-------|
| 1. a) Debt : Equity Ratio  | 1.03  | 0.99    | 0.94  | 0.85    | 0.90    | 0.85     | 0.95     | 0.97    | 1.03     | 1.02    | 1.13  |
| b) Net Worth : Equity Ratios   | 0.66  | 0.61    | 0.62  | 0.57    | 0.51    | 0.50     | 0.52     | 0.59    | 0.54     | 0.56    | 0.43  |
| c) Fixed Assets : Net worth  | 1.60  | 1.56    | 1.42  | 1.47    | 1.65    | 1.71     | 1.69     | 1.39    | 1.53     | 1.47    | 1.97  |
| d) Working Capital : Total Assets  | 0.05  | 0.08    | 0.10  | 0.06    | 0.07    | 0.07     | 0.13     | 0.18    | 0.18     | 0.21    | 0.19  |
| e) Current Assets :<br>Current Liabilities                                       | 1.17  | 1.29    | 1.38  | 1.21    | 1.24    | 1.26     | 1.48     | 1.70    | 1.62     | 1.80    | 1.66  |
| f) Quick Assets : Current Liabilities<br>(Liquidity)                             | 0.40  | 0.48    | 0.57  | 0.46    | 0.41    | 0.32     | 0.33     | 0.36    | 0.45     | 0.36    | 0.32  |
| g) i) Avg. Stock of Stores &<br>Spares : consumpt. of stores                     | 0.66  | 0.71    | 0.73  | 0.78    | 0.80    | 0.84     | 0.87     | 0.94    | 0.91     | 0.89    | 0.84  |
| ii) Closing Stock of Stores &<br>Spares in terms of no of<br>months' consumption | 8.11  | 9.16    | 9.23  | 9.62    | 10.01   | 10.89    | 10.54    | 11.81   | 12.00    | 11.91   | 11.96 |
| iii) Coal Stocks : Net sales   | 0.23  | 0.20    | 0.18  | 0.19    | 0.17    | 0.18     | 0.18     | 0.21    | 0.21     | 0.21    | 0.20  |
| iv) Coal Stock in terms of no. of<br>Months' Net Sales                           | 2.80  | 2.35    | 2.18  | 2.27    | 2.05    | 2.16     | 2.13     | 2.58    | 2.52     | 2.50    | 2.42  |
| h) i) Sundry Debtors (Gross)<br>: Gross Sales                                    | 0.26  | 0.30    | 0.30  | 0.24    | 0.22    | 0.18     | 0.16     | 0.17    | 0.21     | 0.15    |       |
| ii) Sundry Debtors (Gross) in<br>terms of no of Months' Sales                    | 3.09  | 3.61    | 3.55  | 2.89    | 2.68    | 2.17     | 1.94     | 2.06    | 2.55     | 1.86    |       |
| i) Operating Ratio<br>(Sales-Profit/Net Sales)                                   | 0.97  | 1.05    | 0.98  | 1.01    | 1.07    | 1.11     | 1.15     | 1.03    | 1.12     | 1.00    | 1.00  |
| j) Working Capital : Net Sales   | 0.11  | 0.19    | 0.22  | 0.13    | 0.14    | 0.17     | 0.27     | 0.39    | 0.43     | 0.42    | 0.35  |
| 2. a) Gross Margin to Net Sales (%)  | 23.37 | 15.66   | 19.02 | 16.22   | 13.76   | 4.78     | 3.29     | 13.21   | 3.83     | 14.76   | 13.71 |
| b) Gross profit to Net Sales (%)   | 12.21 | 4.30    | 9.27  | 6.12    | 2.77    | (-5.60)  | (-6.49)  | 4.23    | (-5.20)  | 6.63    | 6.50  |
| c) Net profit to Net Sales (%)   | 2.78  | (-4.97) | 1.66  | (-0.56) | (-6.56) | (-11.23) | (-14.90) | (-3.20) | (-12.18) | (-0.31) | 0.39  |
| d) Sal & Wages (Gross-Rev.)<br>to Total Expend. (%)                              | 42.71 | 43.77   | 46.56 | 48.17   | 44.07   | 49.55    | 45.05    | 50.20   | 52.20    | 49.86   | 53.21 |
| e) Stores & Spares (Gross-Rev.)<br>to Total Expend. (%)                          | 15.88 | 15.34   | 15.10 | 13.71   | 14.60   | 14.65    | 13.78    | 14.23   | 14.12    | 15.57   | 14.49 |
| f) Power & Fuel to<br>Total Expend. (%)  | 6.72  | 6.45    | 6.37  | 6.56    | 6.83    | 6.94     | 6.44     | 6.46    | 6.02     | 6.47    | 6.02  |
| g) Interest & Depreciation<br>(Gross-Rev.) (%)                                   | 18.56 | 18.00   | 16.18 | 14.65   | 17.27   | 13.34    | 15.16    | 14.29   | 12.85    | 13.84   | 12.12 |
| h) Gross margin to<br>Cap. Employed (%)  | 20.09 | 12.42   | 16.17 | 14.98   | 11.85   | 4.00     | 2.65     | 10.59   | 2.92     | 11.97   | 12.45 |
| i) Gross profit to<br>Capital Employed (%)                                       | 10.50 | 3.41    | 7.88  | 5.65    | 2.38    | (-4.69)  | (-5.22)  | 3.39    | (-3.97)  | 5.38    | 5.90  |
| j) Net profit to<br>Capital Employed (%)   | 2.39  | (-3.94) | 1.41  | (-0.51) | (-5.65) | (-9.40)  | (-11.99) | (-2.57) | (-9.29)  | (-0.25) | 0.35  |

## DIRECTORS' REPORT FOR THE YEAR 1991-92

To  
The Members,  
Coal India Limited  
Gentlemen,

I have great pleasure in presenting to you on behalf of the Board of Directors the Nineteenth Annual Report and Accounts of Coal India Ltd. along with audited accounts for the year ended 31st March, 1992 together with the report of the Statutory Auditors and the comments and review of the Comptroller and Auditor General of India.

Highlights of the operation during 91-92 are as under :

- (a) Coal India Limited and its Subsidiaries earned an all time high Profit of Rs. 167.07 Crores during the year compared to the loss of Rs. 253.17 crores in the previous year.
- (b) Coal production attained an all time high of 204.14 Million Tonnes against the target of 203 Million Tonnes and a production of 189.68 Million Tonnes in 1990-91, a growth of 7.6%.
- (c) Against an inflation of 12.5% during the year the increase in cost of production was only 7.5%. Thus, a reduction in unit cost of production by 5% in real terms has been achieved.
- (d) Coal Sales realisation dues was 15% higher than in the previous year. Introduction of 'Cash and Carry' System from 1st Oct. '91 enabled CIL to limit the increase.
- (e) Raw Coal despatches increased to 194.24 Million tonnes exceeding the target by 3.54 M.T.
- (f) 14329 FWWS were loaded as against the previous year's average loading of 13330. The increase of 999 wagons per day was the best achieved during the decade.
- (g) The declining trend in underground production has been reversed. A growth of over 5 LT has been achieved in 91-92.
- (h) Overburden removal was also an all time high of 298.96 Million Cubic Metre (MM<sup>3</sup>)

which is 14.20 MM<sup>3</sup> more than the O.B. removed in 1990-91, despite discontinuing hired HEMM in ECL.

- (i) Productivity increased to 1.40 tonnes/manshift as against 1.31 tonnes/manshift, registering a growth of 6.9%.
  - (j) Consumer satisfaction received a major thrust during the year. Consumer service centres have been set up at New Delhi, Lucknow, and Bombay. Regional Coal Consumers Council has been set up in all coal producing subsidiary companies of CIL to resolve consumers' grievances. At Apex level, a National coal consumer Council has also been formed. This council would operate under the Chairman Coal India Ltd. and would deal with the consumers' grievances which are not resolved at the Regional Council levels.
  - (k) During the year under report cordial labour relations were maintained. Workers' participation in Management, improved Welfare Measures for the employees, and Human Resources Development were given special thrust.
  - (l) An MOU between Coal India Ltd. and the Ministry of Coal, Govt. of India was signed on 12th May, 1992 for 1992-93.
1. During the year under review, the Company continued to hold seven fully owned Subsidiary Companies viz :
    - Eastern Coalfields Limited
    - Bharat Coking Coal Limited
    - Central Coalfields Limited
    - Northern Coalfields Limited
    - Western Coalfields Limited
    - South Eastern Coalfields Limited
    - Central Mine Planning & Design Institute Limited.
- The mines in Assam, through its NEC Division, and Dankuni Coal Complex continue to be managed directly by your Company.
- As stated earlier, the new Company 'Mahanadi Coalfields Limited' was incorporated on 3rd April, 1992 with its Head Quarters at Sambalpur (Orissa) as fully owned Subsidiary

of Coal India Limited to manage the Talcher, Ib Valley Coalfields of Orissa. These two coalfields would be the growth centre for VIII & IX Plan periods.

## 2. WORKING RESULTS

Your Directors are happy to report that 1991-92 CIL and its subsidiaries made a Profit of Rs. 167.07 crores before taxes and investment Allowance Reserve as against loss of Rs. 253.17 crores in the previous year. Subsidiarywise position is as under :-

| Company               | Rs. in Crores.    |            |
|-----------------------|-------------------|------------|
|                       | Profit(+)/Loss(-) |            |
|                       | 1991-92           | 1990-91    |
| ECL                   | (+) 38.90         | (-) 42.74  |
| BCCL                  | (-) 48.12         | (-) 96.27  |
| CCL                   | (+) 103.77        | (+) 5.26   |
| NCL                   | (+) 34.24         | (+) 22.58  |
| WCL                   | (+) 33.17         | (-) 95.40  |
| SECL                  | (+) 25.61         | (-) 20.79  |
| CMPDIL                | (+) 2.12          | (+) 2.06   |
| CIL, NEC, DCC         |                   |            |
| Including Stock yards | (-) 22.62         | (-) 27.87  |
| Total                 | (+) 167.07        | (-) 253.17 |

## 3. PRODUCTION

3.1 Production of Coal, during 1991-92 was an all time high of 204.14 Million Tonnes as against 189.68 Million Tonnes in the previous year. Growth during 1991-92 was 7.64%, despite various operation problems including power shortage during the year. The Subsidiarywise position is as below :

| Company   | (Figures in Million Tonnes) |         |            |         |         |         |
|-----------|-----------------------------|---------|------------|---------|---------|---------|
|           | Raw Coal Production         |         |            |         |         |         |
|           | Coking*                     |         | Non-coking |         | Total   |         |
|           | 1991-92                     | 1990-91 | 1991-92    | 1990-91 | 1991-92 | 1990-91 |
| ECL       | 1.11                        | 1.49    | 23.40      | 21.98   | 24.51   | 23.47   |
| BCCL      | 22.54                       | 22.36   | 4.46       | 4.34    | 27.00   | 26.70   |
| CCL       | 17.28                       | 16.59   | 13.92      | 13.50   | 31.20   | 30.09   |
| NCL       | -                           | -       | 30.89      | 27.88   | 30.89   | 27.88   |
| WCL       | 0.69                        | 0.74    | 24.05      | 22.04   | 24.74   | 22.78   |
| SECL      | 0.10                        | 0.11    | 64.75      | 57.97   | 64.85   | 58.08   |
| NEC       | -                           | -       | 0.95       | 0.68    | 0.95    | 0.68    |
| Total CIL | 41.72                       | 41.29   | 162.42     | 148.39  | 204.14  | 189.68  |

\* Coking Coal includes coal declared as coking but used for non-metallurgical purposes.

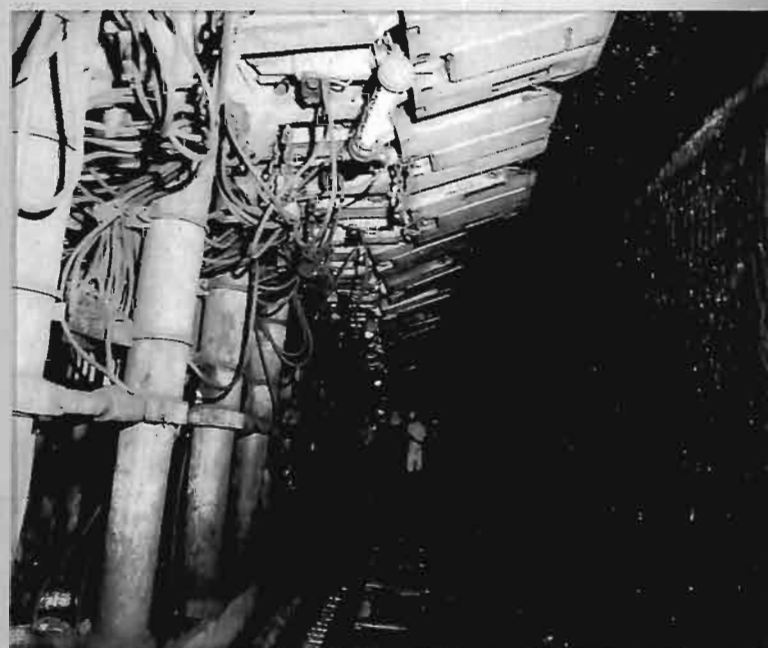
## 3.2 Soft Coke, Hard Coke and Washed Coal:

The Production of Soft Coke, Hard Coke and Washed Coal in 1991-92 was 7.15 Lakh tonnes, 3.27 lakh tonnes and 88.76 lakh tonnes respectively as against a production of 8.60 lakh tonnes, 3.60 lakh tonnes and 83.81 lakh tonnes respectively in 1990-1991. The subsidiarywise position is as below :

| Company   | (Figures in lakh tonnes) |         |           |         |             |         |
|-----------|--------------------------|---------|-----------|---------|-------------|---------|
|           | Soft Coke                |         | Hard Coke |         | Washed Coal |         |
|           | 1991-92                  | 1990-91 | 1991-92   | 1990-91 | 1991-92     | 1990-91 |
| ECL       | 2.42                     | 2.78    | -         | -       | -           | -       |
| BCCL      | 1.21                     | 1.79    | 3.12      | 3.39    | 38.64       | 36.88   |
| CCL       | 3.52                     | 4.03    | 0.15      | 0.21    | 46.36       | 43.20   |
| WCL       | -                        | -       | -         | -       | 3.76        | 3.73    |
| Total CIL | 7.15                     | 8.60    | 3.27      | 3.60    | 88.76       | 83.81   |

3.3 As stated earlier the declining trend in under ground coal production has been arrested during the year. There was a marginal growth of 0.53 mt in under ground coal production in 91-92. Opencast coal continue to be about 72% of the total production.

Longwall face in an underground mine





Opencast mines



Coal movement

(Figures in Million Tonnes)

| Company          | Underground production |              | Opencast production |               | Total         |               |
|------------------|------------------------|--------------|---------------------|---------------|---------------|---------------|
|                  | 1991-92                | 1990-91      | 1991-92             | 1990-91       | 1991-92       | 1990-91       |
| ECL              | 14.64                  | 13.39        | 9.87                | 10.08         | 24.51         | 23.47         |
| BCCL             | 12.08                  | 12.29        | 14.92               | 14.41         | 27.00         | 26.70         |
| CCL              | 4.42                   | 4.31         | 26.78               | 25.78         | 31.20         | 30.09         |
| NCL              | —                      | —            | 30.89               | 27.88         | 30.89         | 27.88         |
| WCL              | 8.99                   | 9.72         | 15.75               | 13.06         | 24.74         | 22.78         |
| SECL             | 16.12                  | 16.04        | 48.73               | 42.04         | 64.85         | 58.08         |
| NEC              | 0.38                   | 0.35         | 0.57                | 0.33          | 0.95          | 0.68          |
| <b>Total CIL</b> | <b>56.63</b>           | <b>56.10</b> | <b>147.51</b>       | <b>133.58</b> | <b>204.14</b> | <b>189.68</b> |

3.4 Quantum of overburden removed in 1991-92 was 298.96 Million Cubic Metres as against 284.76 Million Cubic Metres in the previous year. The increase of 14.20 Million M<sup>3</sup> represents a growth of almost 5%, despite elimination of hired HEMM in ECL. Subsidiarywise position is as below :

| Overburden Removed | (in Million Cu.Mts.) |               |
|--------------------|----------------------|---------------|
| Company            | 1991-92              | 1990-91       |
| ECL                | 16.40                | 20.73         |
| BCCL               | 31.29                | 28.76         |
| CCL                | 52.47                | 48.82         |
| NCL                | 89.70                | 89.44         |
| WCL                | 41.19                | 35.67         |
| SECL               | 65.42                | 60.20         |
| NEC                | 2.49                 | 1.14          |
| <b>Total CIL</b>   | <b>298.96</b>        | <b>284.76</b> |

#### 4. POPULATION OF EQUIPMENT (HEMM)

For increasing the level of operations in the existing opencast mines and for opening of new mines, deployment of additional HEMM was essential. Number of Shovels deployed has increased from 758 to 820; Dumpers from 3627 to 3963, Dozers from 972 to 1037 and Drills from 660 to 773. Performance, availability and utilisation, of major HEMM improved in 1991-92 compared to 1990-91, as may be evident from table below :

| Equipment | Availability |         | Utilisation |         |
|-----------|--------------|---------|-------------|---------|
|           | 1991-92      | 1990-91 | 1991-92     | 1990-91 |
| Dragline  | 94           | 91      | 93          | 102     |
| Shovel    | 82           | 80      | 64          | 68      |
| Dumper    | 82           | 82      | 51          | 58      |
| Dozer     | 77           | 77      | 55          | 62      |
| Drill     | 77           | 76      | 57          | 60      |

#### 5. CONSTRAINTS

Deterioration in Power Supply from DVC and BSEB, absenteeism, industrial relations, breakdown of machines etc., affected coal production and as a result your Company suffered a loss in raw coal production of 11.40 Million Tonnes during 1991-92 as compared to 17.53 Million Tonnes in 90-91. Factorwise break up of loss of production of raw coal is indicated in the following table :

| Factor            | (Figures in Million Tonnes)    |              |
|-------------------|--------------------------------|--------------|
|                   | Loss of production of raw coal |              |
|                   | 1991-92                        | 1990-91      |
| Power             | 3.13                           | 6.08         |
| Absenteeism       | 1.54                           | 1.83         |
| Labour unrest     | 0.46                           | 0.27         |
| Rains             | 0.83                           | 3.00         |
| Other constraints | 5.44                           | 6.35         |
| <b>Total</b>      | <b>11.40</b>                   | <b>17.53</b> |

## 6. AVAILABILITY OF POWER

Power availability of mines in ECL, BCCL and CCL was not satisfactory during 1991-92. ECL, BCCL and CCL received major part of power from DVC either directly or through BSEB, DPS and WBSEB. Overall availability of power was about 400 MVA as against a demand of 509.5 MVA during the year leaving heavy shortfall of 110 MVA. Besides, there were a number of interruptions. In 91-92, 19054 feeder hour were lost in 19707 interruptions. To improve power availability in mines, Dishergarh Power Supply company on behalf of ECL has installed and is operating a 2 x 10 MW Captive Power operating Plant at Chinakuri. M/S BHEL were entrusted with the installation of 2 x 10 MW Captive Power Plant with Fluidised bed combustion boiler

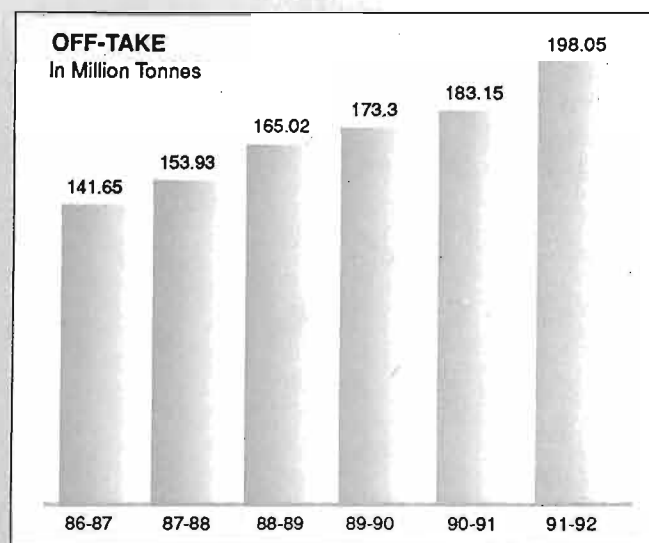
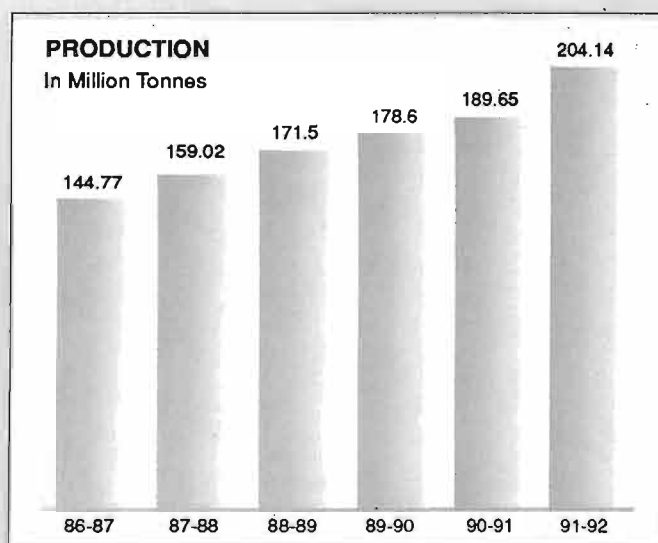
at Moonidih (BCCL) and Kathara (CCL). These are expected to be commissioned during 1992-93. In addition, your Directors have already approved installation of Captive Power Plants at Gidi, Rajarappa and Bhojudih Washeries. Efforts are also being made to set up 10-20 MW Power Plant using Washery rejects at Sudamdih, Dugda, Piparwar, NEC, Madhuband, Gidi and Rajarappa. Besides Coal gas-based power plant of (20 MW-30 MW) at Dankuni Coal Complex is also under consideration.

Status of power supply from DVC sources to ECL, BCCL and CCL during 1991-92 compared to 1990-91 vis a vis the Demand, is indicated below :

| Com-<br>pany | Demand<br>M.V.A. |            | Availability<br>MVA. |              | Interruption<br>(Nos.) |              | Feeder<br>Hrs. lost. |              |
|--------------|------------------|------------|----------------------|--------------|------------------------|--------------|----------------------|--------------|
|              | 91-92            | 90-91      | 91-92                | 90-91        | 91-92                  | 90-91        | 91-92                | 90-91        |
| ECL          | 120              | 130        | 98.6                 | 89.0         | 5162                   | 9328         | 4292                 | 7321         |
| BCCL         | 261              | 246        | 193.6                | 184.0        | 9445                   | 13163        | 10500                | 12444        |
| CCL          | 129              | 130        | 110.6                | 105.0        | 5100                   | 8155         | 4712                 | 7464         |
| <b>Total</b> | <b>510</b>       | <b>506</b> | <b>401.8</b>         | <b>378.0</b> | <b>19707</b>           | <b>90646</b> | <b>19054</b>         | <b>27234</b> |

## 7. PRODUCTIVITY

Productivity, output per manshift (OMS) for the year under review has increased to 1.40 tonnes from 1.31 tonnes in 1990-91 registering a growth of 6.9%. 1991-92



witnessed appreciable improvement in productivity of Open Cast Mines and it has gone up to 3.70 tonnes from 3.38 tonnes of the previous year. The Companywise OMS position is given below :

| Company     | Output per Manshift |       |           |       |         |       | (Tonnes)   |
|-------------|---------------------|-------|-----------|-------|---------|-------|--|
|             | Underground         |       | Open cast |       | Overall |       | % increase/<br>decrease in<br>91-92 over-<br>all over the<br>previous<br>year. |
|             | 91-92               | 90-91 | 91-92     | 90-91 | 91-92   | 90-91 |  |
|             |                     |       |           |       |         |       |  |
| ECL         | 0.44                | 0.42  | 1.57      | 1.57  | 0.62    | 0.61  | 1.6  |
| BCCL        | 0.44                | 0.45  | 2.14      | 1.92  | 0.78    | 0.77  | (-) 1.3  |
| CCL         | 0.47                | 0.44  | 2.27      | 1.99  | 1.47    | 1.32  | 12.2   |
| NCL         | -                   | -     | 8.03      | 8.80  | 8.03    | 8.80  | (-) 8.8  |
| WCL         | 0.63                | 0.67  | 3.43      | 3.31  | 1.30    | 1.24  | 4.8  |
| SECL        | 0.79                | 0.79  | 7.94      | 7.14  | 2.45    | 2.21  | 9.4  |
| NEC         | 0.44                | 0.40  | 3.12      | 1.78  | 0.92    | 0.65  | 41.5   |
| Overall CIL | 0.53                | 0.53  | 3.70      | 3.31  | 1.40    | 1.31  | 6.9  |

## 8. PLANNING

Annual Action plan for 1991-92 as approved by the Ministry of Coal, was monitored regularly. Annual Plan 1992-93 was also approved by your Board of Directors and by Ministry of Coal. Annual Action Plan 1992-93 has also been formulated and is being monitored. The salient

features of plan for 1992-93 is stated below :

|  | 1991-92 |             | 1992-93 |
|--|---------|-------------|---------|
|  | Plan    | Achievement | Plan    |
| 1. Production<br>(Million tonnes)      | 203.00  | 204.14      | 210.00  |
| 2. Productivity<br>(OMS in tonnes)     | 1.37    | 1.40        | 1.42    |
| 3. Plan Expenditure<br>(Rs. in crores) | 2035.00 | 1459.84     | 1850.00 |

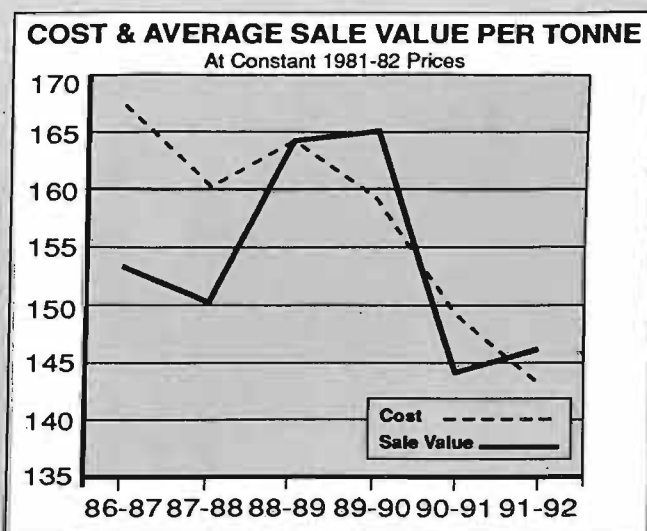
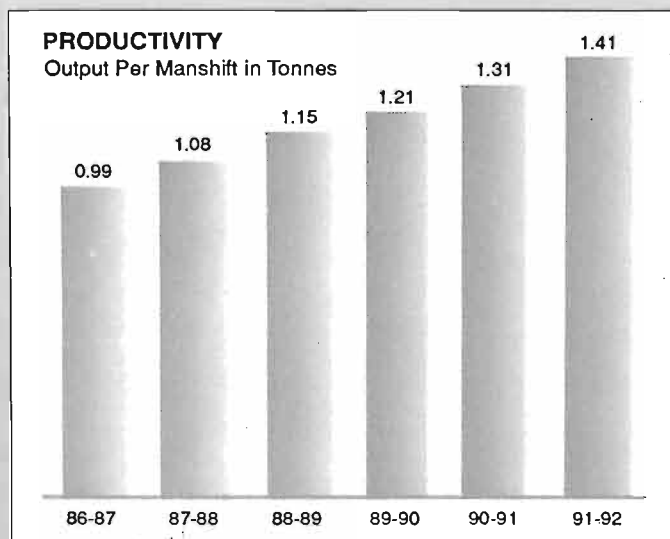
Corporate plan document for the period 1990-95 for CIL was also drawn up during this year. Ministry of Coal has proposed production largest of 258.34 million tonnes for 1996-97 terminal year of VIII plan.

### 8.1 Project Formulation

CMPDIL prepared 36 Project Reports, 18 Revised Cost Estimates/Revised Project Reports, 29 Environmental Management Plan (EMPS), 27 Geological Reports and 82 other Reports totalling to 192 in 1991-92.

### 8.2 Project Implementation

A major thrust has also been given for implementation of Coal projects. The resources developed in all the projects are



being monitored with a view to achieve higher assets turnover. The major Achievements during the year include commissioning of 20 Cu.M. Shovel in conjunction with 170 T Dumper in Rajmahal Project. These are the largest equipments deployed in the country.

### 8.3 Capital Projects/Schemes

There are, at present, 338 Coal Projects, each having an initial capital outlay of Rs. 2 crores and above. The total ultimate capacity of these projects is 275.33 Mty with the total sanctioned capital outlay of Rs. 12,451.04 crores. Projects where the coal reserves have been exhausted and the projects for which construction has been deferred for various reasons have been excluded. Out of these 338 Projects, 158 projects have been completed and balance 180 projects are in different stages of construction.

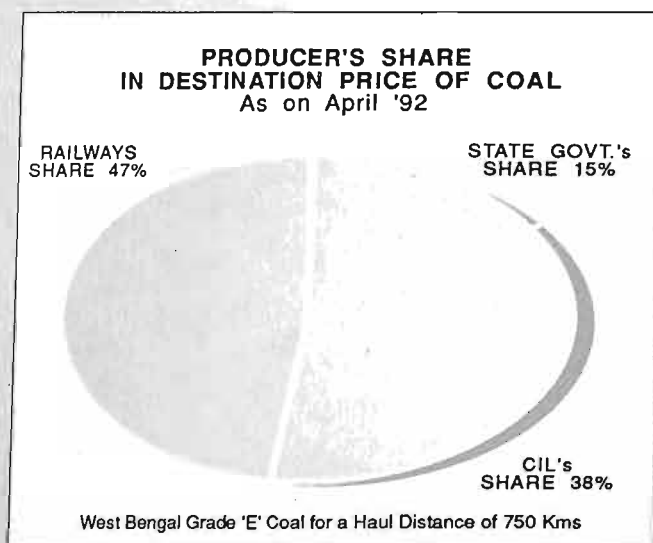
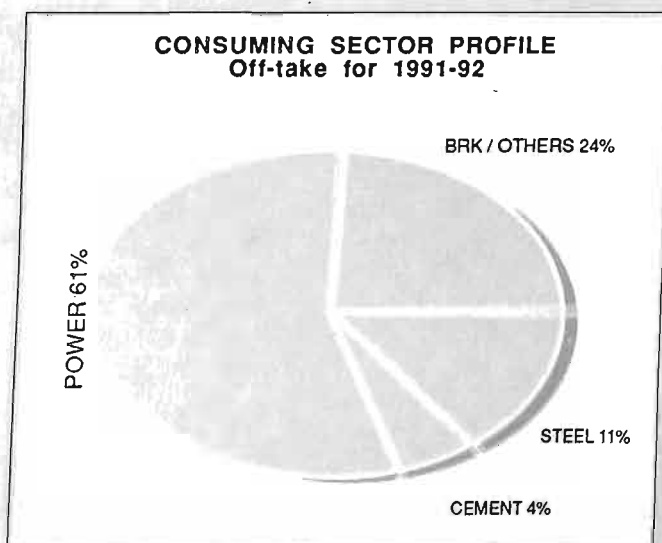
Besides these Coal Projects, there are 200 non-coal projects/schemes each having an initial capital outlay of Rs. 2 crores and above with the total sanctioned Capital outlay of Rs. 2,196.61 crores. The major non-coal projects under construction are Madhuband Washery (BCCL), Kedla Washery (CCL) Central Workshop at Singrauli

(NCL), Captive Power Plants at Moonidih (BCCL), Kathara (CCL). Advance Action schemes for coal projects are also under implementation.

During 1991-92, CIL Board approved 6 projects (including expansion/RPR/RCE). Companywise details of Projects/Schemes as approved by CIL Board during 1991-92 are given below :

| Company      | New Projects | Expansion RPR/RCE | Advance Action | Completion Report | Total    |
|--------------|--------------|-------------------|----------------|-------------------|----------|
| ECL          | -            | -                 | -              | -                 | -        |
| BCCL         | -            | 1                 | -              | -                 | 1        |
| CCL          | 2            | -                 | 1              | -                 | 3        |
| NCL          | -            | -                 | -              | -                 | -        |
| WCL          | 1            | -                 | -              | -                 | 1        |
| SECL         | -            | -                 | -              | 1                 | 1        |
| NEC          | -            | -                 | -              | -                 | -        |
| <b>Total</b> | <b>3</b>     | <b>1</b>          | <b>1</b>       | <b>1</b>          | <b>6</b> |

During 1991-92, CIL Board sanctioned 7 Projects (including expansion/RPR/RCE). Companywise details of projects/schemes as sanctioned by CIL Board during 1991-92 is as follows :



| Company        | New Projects | Expansion/Advance<br>RPR/RCE | Action   | Total    |
|----------------|--------------|------------------------------|----------|----------|
| ECL            | -            | -                            | -        | -        |
| BCCL           | 1            | -                            | -        | 1        |
| CCL            | 3            | -                            | -        | 3        |
| NCL            | -            | -                            | -        | -        |
| WCL            | -            | -                            | -        | -        |
| SECL           | 1            | 1                            | -        | 2        |
| NEC            | 1            | -                            | -        | 1        |
| <b>Total :</b> | <b>6</b>     | <b>1</b>                     | <b>-</b> | <b>7</b> |

During 1991-92 the following Coal Projects have been sanctioned by Government.

| Sl. No. | Projects                                   | Capacity (Mty) | Capital (Rs. in Crores) |
|---------|--|----------------|-------------------------|
| 1.      | Block-II OCP RPR (BCCL)                    | 2.50           | 174.25                  |
| 2.      | Khadia OCP RCE (NCL)                       | 4.00           | 588.75                  |
| 3.      | Ukni OCP (WCL)                             | 1.10           | 100.37                  |
| 4.      | Ananta OCP (SECL)                          | 4.00           | 156.49                  |
| 5.      | Lakhanpur OCP (SECL)                       | 5.00           | 221.51                  |
| 6.      | Kalinga OCP-cum-Beneficiation Plant (SECL) | 8.00           | 485.77                  |

37 Projects including RPR/RCE are pending with Government for sanction (SECL-6, BCCL-3, CCL-14, NCL-4, WCL-5, SECL-4 and CIL-1)

#### 9. FOREIGN EXCHANGE EARNING :

The overall coal/coke export from CIL during 1991-92 was about 1.14 lakh tonnes. Coal export to Bangladesh resulted in foreign exchange earning of about US\$ 0.62 Million which was received by MMTC being the canalising agency for export of coal. In addition, exports were also effected to Nepal and Bhutan against rupee payment. During 1992-93 exports made to Bangladesh would be effected directly by CIL.

#### 10. CAPITAL EXPENDITURE

Expenditure on Capital Account during 1991-92 was Rs. 1459.84 Crores as against Rs. 1655.14 Crores during the previous year as indicated below :

| (Rupees in crores) |                |                |
|--------------------|----------------|----------------|
| Company            | 1991-92        | 1990-91        |
| ECL                | 364.13         | 432.59         |
| BCCL               | 157.74         | 237.37         |
| CCL                | 254.16         | 247.41         |
| NCL                | 257.85         | 278.03         |
| WCL                | 118.88         | 144.52         |
| SECL               | 290.63         | 299.31         |
| CMPDIL             | 3.83           | 6.07           |
| NEC                |                | 6.62           |
| DCC                | 12.62          | 2.40           |
| CIL (Hqrs)         |                | 0.82           |
| <b>Total</b>       | <b>1459.84</b> | <b>1655.14</b> |

#### 11. CAPITAL STRUCTURE

The authorised Share Capital of the Company as on 31-3-1992 increased to Rs. 8000 Crores from Rs. 6000 Crores. The paid-up Capital of the Company as on 31.3.92 was Rs. 5999.07 Crores (including Rs. 256.93 crores worth of shares issued to the Govt. of India towards the value of land acquired). An amount of Rs. 168.45 Lakhs equity pending allotment was received from the Government for payment of land compensation for which the equity shares were issued on 27th July '92 and 29th Aug. '92. Government of India had invested Rs. 287.44 crores towards equity in the Company during the year 1991-92.

Total investment by the Government of India in CIL and Subsidiaries as on 31st March, 1992 was Rs. 9874.98 Crores.

|                                | Rs. in crores  |
|--------------------------------|----------------|
| Share Capital Including equity |                |
| pending allotment of           |                |
| Rs. 168.45 Lakhs               | 6000.75        |
| Loan Fund                      |                |
| i) Plan loan                   | 3432.57        |
| ii) Non-plan loan              | 441.66         |
| <b>Total</b>                   | <b>9874.98</b> |

## 12. BORROWINGS

### 12.1 Borrowings from Government of India

During the year a sum of Rs. 70 Crores was received from the Government of India as loan after adjustment of refund of loan to the extent of Rs. 52 crores. A sum of Rs. 400.02 Crores was paid to Government of India (Rs. 0.04 crores towards repayment of loan and Rs. 399.98 Crores towards repayment of interest) as against Rs. 315.15 Crores in the previous year (Rs. 60.32 crores towards repayment of loan and Rs. 254.83 crores towards payment of interest). The Government has waived penal interest amounting to Rs. 109.56 crores for the year 1990-91 (Rs. 86.90 crores for the year 1989-90).

### 12.2 Bonds and Public Deposits.

During the year 1991-92 CIL has not issued any Bonds. Thus, the total Bonds issued

upto 31.3.1992 was Rs. 600 crores (Rs. 450 crores 13% taxable and Rs. 150 crores - 9% tax free).

12.3 During the year 1991-92 an amount of Rs. 273.83 lakhs was received from the Public Deposits. Thus the total amount on Public Deposits received upto 31.3.92 was Rs. 33.79 crores.

## 13. COAL MARKETING

### 13.1 Demand

The demand for coal on Coal India Limited was assessed at 201.20 million tonnes for the year 1991-92. As against this demand, the actual off-take was 198.05 million tonnes showing a demand satisfaction of 98.43%. The demand satisfaction on the basis of 191.78 million tonnes of demand and 183.27 million tonnes of off-take was 95.56% for the year 1990-91. The following table gives sectorwise demand, off-take and



demand-satisfaction for the year 1991-92 and 1990-91 :-

(Figs. in Million tonnes)

| Sector           | April '91 - March '92 |               |                | April '90 - March '91 |               |              |
|------------------|-----------------------|---------------|----------------|-----------------------|---------------|--------------|
|                  | Demand                | Off-take      | % Satsf-Demand | Off-take              | %Satsf-Demand |              |
| Power (Utility)  |                       |               |                |                       |               |              |
| Raw Coal         | 111.87                | 120.69        | 107.80         | 108.05                | 106.23        | 98.32        |
| (Middlings)      | (2.43)                | (2.29)        | (94.70)        | (2.10)                | (2.24)        | (116.42)     |
| Steel/H.C        | 23.10                 | 20.77         | 89.91          | 22.60                 | 20.51         | 90.75        |
| Loco             | 3.68                  | 3.92          | 106.52         | 4.80                  | 4.51          | 93.96        |
| Cement           | 9.30                  | 7.83          | 84.19          | 8.28                  | 8.44          | 101.93       |
| Fertilz          | 3.50                  | 3.64          | 104.00         | 3.90                  | 3.61          | 92.56        |
| S/C Making       | 1.60                  | 1.03          | 64.38          | 2.20                  | 1.23          | 55.91        |
| Export           | 0.20                  | 0.12          | 60.00          | 0.30                  | 0.10          | 33.33        |
| Others           | 44.32                 | 36.53         | 82.42          | 38.15                 | 35.16         | 92.16        |
| Coly. Cons.      | 3.63                  | 3.52          | 96.97          | 3.50                  | 3.48          | 99.43        |
| <b>Overall :</b> | <b>201.20</b>         | <b>198.05</b> | <b>98.43</b>   | <b>191.78</b>         | <b>183.27</b> | <b>95.56</b> |

### 13.2 Despatches

#### 13.2.1 Transportation of Coal and Coal Products:

The transportation of coal and coal products by various means for the year 1991-92 and 1990-91 is as follows :



Perspective of afforestation & environment

(Figs. in million tonnes)

| Year    | Rail   | Road  | MGR   | Rope | Belt | Total  |
|---------|--------|-------|-------|------|------|--------|
| 1991-92 | 116.21 | 29.72 | 33.82 | 4.90 | 6.34 | 190.99 |
| 1990-91 | 107.25 | 28.15 | 28.61 | 4.58 | 6.35 | 174.94 |

It would be observed from the table that there has been an increase of 16.05 million tonnes or a growth rate of 9.17% over the same period last year.

**13.2.2 Off take of Raw Coal :** Off take of raw coal for the year 1991-92 was 198.05 million tonnes against the target of 194.14 million tonnes showing 102.01% achievement of the target. Company-wise target, actual off-take and percentage achievement for the years 1991-92 and 1990-91 are given below :

(Figs in million tonnes)

| Company        | 1991-92       |               |               | 1990-91       |               |              |
|----------------|---------------|---------------|---------------|---------------|---------------|--------------|
|                | Target        | Actual        | %Achv.        | Target        | Actual        | %Achv.       |
| ECL            | 24.15         | 23.59         | 97.68         | 27.48         | 23.42         | 85.23        |
| BCCL           | 26.12         | 26.07         | 99.81         | 28.08         | 23.31         | 83.01        |
| CCL            | 28.75         | 28.45         | 98.96         | 30.29         | 28.20         | 93.10        |
| NCL            | 30.22         | 30.41         | 100.63        | 27.48         | 27.37         | 99.60        |
| WCL            | 24.21         | 24.87         | 102.73        | 23.60         | 23.79         | 100.81       |
| SECL           | 59.89         | 63.66         | 106.29        | 57.06         | 56.26         | 98.60        |
| NEC            | 0.80          | 1.00          | 125.00        | 0.97          | 0.93          | 95.88        |
| <b>Total :</b> | <b>194.14</b> | <b>198.05</b> | <b>102.01</b> | <b>194.96</b> | <b>183.27</b> | <b>95.60</b> |



Coal Handling — Cleanway

**13.2.3 Average loading of wagons:** The loading target for the year 1991-92 was fixed at 15363 FWWs per day. The actual loading for the year was 14329 wagons showing 93.27% achievement of the target. The actual loading in 1990-91 was 13330 wagons showing thereby an increase of 999 wagons over last year. Daily average loading for the years 1991-92 and 1990-91 are shown below :

| (Figs. in FWWs) |                |       |        |         |
|-----------------|----------------|-------|--------|---------|
| Year            | Loading target | Offer | Supply | Loading |
| 1991-92         | 15363          | 15455 | 14467  | 14329   |
| 1990-91         | 14275          | 14359 | 13481  | 13330   |

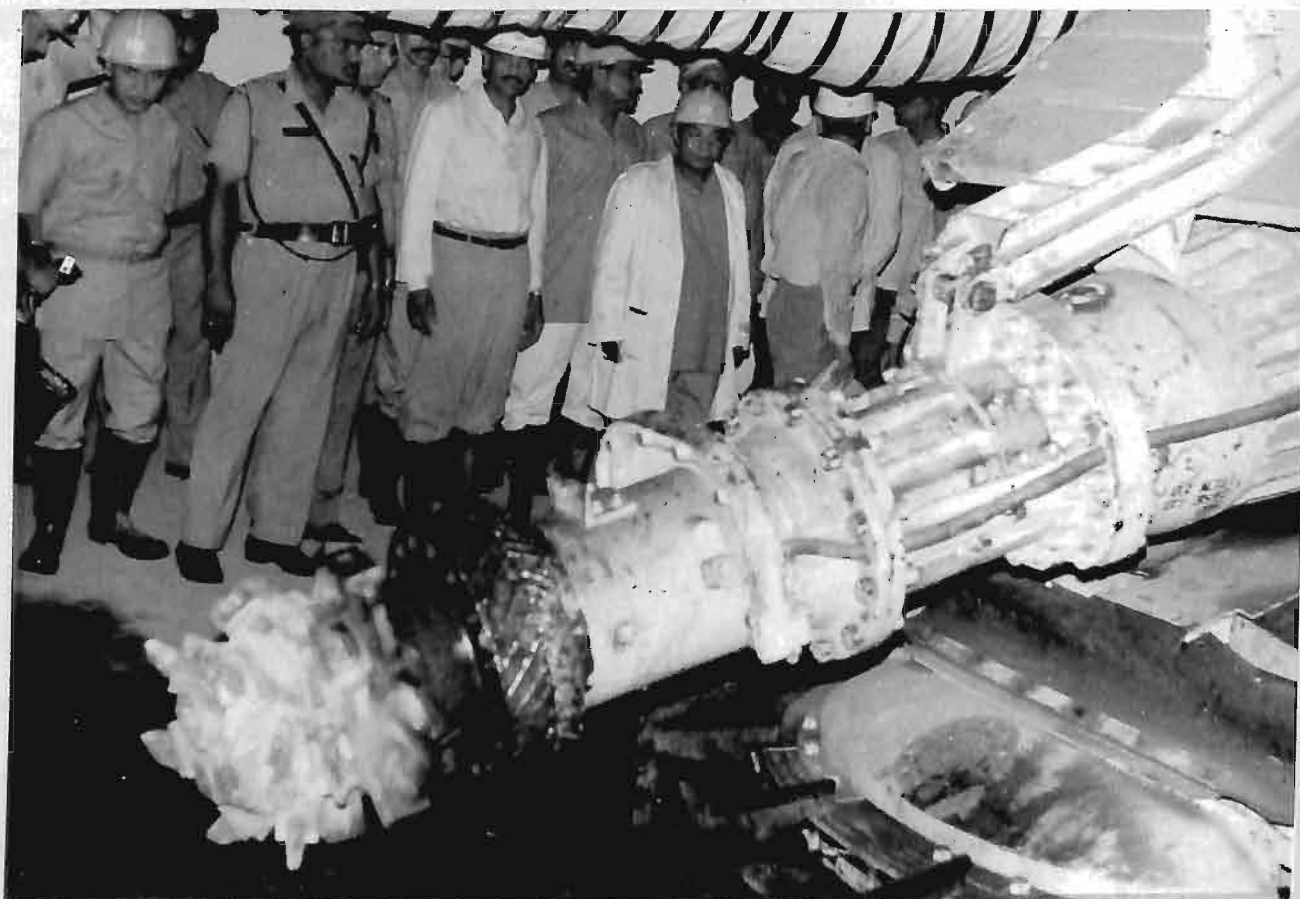
The loading in 2nd half yearly period substantially increased to 14934 FWWs per day from 13866 FWWs per day in 1st half yearly period i.e. by 1068 wagons (7.70%). The loading in Feb. '92 was an all time high at 15,900 wagons.

**13.2.4 Despatches during the year :** Despatches of raw coal by various means during the year was 194.53 million tonnes against 179.79 million tonnes during last year. Modewise break-up of despatches for these two years are as under :

| (Figs. in Million Tonnes) |        |       |       |      |      |                           |        |  |
|---------------------------|--------|-------|-------|------|------|---------------------------|--------|--|
| Year                      | Rail   | Road  | MGR   | Belt | Rope | Internal Consump-<br>tion | Total  |  |
| 1991-92                   | 104.75 | 27.55 | 33.82 | 4.90 | 6.09 | 17.42                     | 194.53 |  |
| 1990-91                   | 96.30  | 26.34 | 28.61 | 4.57 | 6.06 | 17.91                     | 179.79 |  |

**13.2.5 Road Despatches :** Road despatches would have further increased but for the economic blockade by the Jharkhand Mukti Morcha in March '92 which affected collieries of BCCL, CCL & ECL. The Bharat Bandh in Nov. '91 also reduced road despatch.

*Hon'ble Minister for Coal Sri P.A. Sangma inspecting an underground mine*



### 13.3 CIL Stockyards

There were 50 Stockyards in operation at the end of March '92. The existing stockyards are located in eleven states and one union territory (Delhi). The Stockyards in West Bengal handle soft coke also along with coal. These stockyards meet the requirements of Industrial consumers opting for supplies from CIL Stockyards.

### 13.4 Consumer Satisfaction/Stress on Improving Quality of Coal

Complaint on quality of coal mainly relate to supply of oversized coal, mixture of extraneous materials, short receipts and supply of coal of lower heat value. Following steps have been taken to mitigate the complaints :

**13.4.1 Installation of Coal Handling Plants/ Screening Plant :** Upto 1.4.92, 233 CHPs with annual capacity of 119.60 million tonnes have been installed. At present about 95% sized coal is being despatched to Power Sector. To ensure supply of 100% sized coal to all consumers, additional CHPs with capacity of 49.32 million tonnes per year is under construction. Moreover, to cover sizing of OC Coal, on crash basis feeder breakers are being installed at points not covered by CHPs.

**13.4.2 Installation of Weighbridges :** Though weighment of rail borne coal is the responsibility of the Railways as per statute, CIL has installed 96 electronic weighbridges upto 31.3.92 at rail loading points along with the facility of electronic print out, in order to minimise dispute on quantity supplied/received.

### 13.5 Stock of Coal and Coke

Stock of Raw-coal at the end of the year stood at 47.67 million tonnes as compared to 41.36 million tonnes of previous year. Thus, stock has gone up by 6.31 million tonnes during the year under review.

## 14. FOREIGN COLLABORATION

CIL has collaboration arrangements with Ex-USSR, France, UK, Poland, Germany, Canada and Australia, the countries having sufficient expertise and experience in the field of winning and development of mining technology adoptable to Indian conditions for technological upgradation to improve production, productivity, safety and higher rates of Coal recovery. To achieve the objective of technology transfer, bilateral meetings at Govt. level were held regularly with the collaborating countries namely France Germany, UK and Canada and specific areas for bilateral co-operation were identified by Joint Working Groups.

The co-operation includes initial stage of mine planning, construction, equipment supply, technical assistance, training and bringing the mine to the rated capacity in a given time span for high capacity underground and opencast mines in compliance with pre-determined technical parameters. The performance guarantee for the production during the trial period is also part of the approach. It is also ensured that imports are allowed only when items are not available in India or where bilateral financial assistance is provided for purchase of equipment and other technical services.

A brief summary of the progress made during the year in respect of the major foreign collaboration projects are :

### 14.1 French Collaboration

- i) The earlier Agreement for Kottadih UGP (ECL) was amended and signed in November, 1991 for introduction of the latest high face longwall technology.
- ii) Substantial progress was made on the preparation of the Feasibility Report for introduction of Blasting Gallery Technology at Rajur Colliery (WCL).
- iii) An Agreement for establishment of the Indo-French Training Centre at Buradhem (ECL) was signed in December, 1991. The training centre would impart training to the Indian personnel in French methods.

- iv) Studies were also under-taken for setting up of the Briquetting and special smokeless plants.

#### 14.2 German Collaboration

A Consultancy Agreement was signed in June, 1991 to ascertain the firm costs for implementation of the Chinakuri Project (ECL).

Construction work progressed for setting up the Dry Beneficiation Plant at Bina (NCL). The erection and commissioning of the plant is now scheduled in November, 1992.

The final trials for introduction of Hydraulic Mining concluded in July, 1991.

#### 14.3 British Collaboration

British co-operation was provided for salvaging of the Powered Support Longwall equipment at Churcha (SECL), development of the training facilities, environmental management etc.

For all round improvement at Amlori OCP (NCL) financial and technical assistance was agreed in May, 1991, with a view to introduce sustainable efficient mining system at the project.

#### 14.4 USSR Collaboration

Large opencast mines mainly Nigahi (NCL), Khadia (NCL) are being constructed with the co-operation of the erstwhile USSR. Jhanjra underground (ECL) is also under construction. Two sets of Powered Support Longwall equipment were also supplied for this project which have been commissioned successfully. Modernisation of Patherdih Washery has also been taken up with the Soviet cooperation.

#### 14.5 Polish Collaboration

With Polish Collaboration Shaft Sinking at Pootkee Ballihary (BCCL) was completed. A project report for Madhuband Phularitand underground mine (BCCL) was also prepared with the Polish assistance.

#### 14.6 Canadian Collaboration

Project Report for the Hydraulic Mining at Baragolai (NEC) was submitted by SNC, Canada in February, 1991. This was examined and found to be techno-economically unviable. Efforts are being made to make the Project viable by reducing the scope of foreign assistance.

Rajmahal Expansion OCP (ECL), Capacity - 10.5 Million tonnes is under construction for which an agreement was signed with Met-Chem in January, 1989. The agreement is under implementation. Most of the equipment such as Shovels, Drills, Dumpers have been commissioned and are in operation.

#### 14.7 Australian Collaboration

Piparwar OCP (CCL) - Capacity 5.5 Mty. is under construction for which an agreement was signed in September, 1989 with White Industries Limited, Australia. Technology of inpit crushing and conveying would be introduced under this agreement which is under implementation. First consignment of equipment was shipped from Australia in January, 1992.

Other areas of co-operation for which studies are in progress are :

Introduction of Wongawilli System,

Introduction of Roof Reinforcement Technology,

Technologies for introduction of fine coal washing with Spiral Concentrators.

#### 15. WORLD BANK ASSISTANCE

Assistance through IBRD loan for procurement of equipment, construction of CHP, Training Centre, Excavation Workshop, Consultancy Services has been made available in respect of Dudhichua (NCL), Block-II OCP (BCCL), Gevra (SECL) and Sonapur Bazari (ECL).

Dudhichua Project of NCL and Gevra Project of SECL are ahead of schedule and are progressing well.

Land acquisition problems causing delays in the activities of Sonapur Bazari Project

have been resolved and action has been taken to accelerate the pace of progress at the project.

World Bank response for improving performance, quick return on investment etc. through mechanisation in respect of identified underground mines is awaited. World Bank assistance for dealing of Jharia mine fires has also been sought during September, 1991.

Reviews and progress of construction of the World Bank assisted projects were done by the World Bank Supervision Mission in September, 1991 and in early February, 1992.

#### 16. GEOLOGICAL EXPLORATION & DRILLING

As in the previous years, exploration activities were mainly directed towards proving of Coking Coal Resources in Jharia, Sohagpur, Pench-Kanhan Valley and East and West Bokaro Coalfields and quarriable coal resources suitable for power generation in the Rajmahal, North Karanpura, Singrauli, Korba, Ib and Talcher Coalfields. Emphasis was also laid on proving good quality non-coking coals in Raniganj and other coalfields.

For detailed Coal exploration an average of 139 drills per month were engaged out of which 43 were of CMPDIL and the balance were Contractual. A total of 277847 meter of drilling was carried out in about 157 blocks spread over 29 coalfields in the states of West Bengal, Bihar, Orissa, M.P., Maharashtra, Assam and Meghalaya. Additionally, about 3725m of drilling and 2025m of remaining were carried out for colliery developmental works and hydrogeological investigations. The above task was carried out by CMPDIL in association with MECL, State Govts and Private Agencies.

During the year 27 Geological Reports were prepared. In these reports occurrence



*Satellite communication — COALNET*

of 3770 mt. of Coal has been estimated which includes 3315 mt of 'Proved' category, out of which the reserves amenable to opencast mining was estimated at 1985 mt.

The Chemical laboratory of CMPDIL continued to provide support in evaluation of the coal quality by conventional and rapid instrumental analysis system. This laboratory also took up sampling and analysis to evaluate utilisation potential of coking coals of khasi and Jaintia Hills of Meghalaya in the Steel Plants on a priority basis.

Your Company made significant achievement in introduction of new technologies of detailed coal exploration for optimising quality of exploration as a result of concerted efforts made over the past few years. Geophysical, Hydrogeological and Geo-engineering techniques are being used in the exploration and computer services and remote sensing techniques were being used for acquisition of faster and accurate data for mine planning and design.

Borehole geophysical logging was carried out on the routine basis in 242 boreholes of different coalfields covering 35095 depth metres. Besides this, surface geophysical investigations for meeting specific requirements were also carried out such as Seismic Retraction Survey, Magnetic Survey, Gravity Survey, Electrical Resistivity Survey, High Resolution Seismic survey, ground check by infrared Radio metres for Scanner, Micro/Tower gravity and ground probing Radar Surveys.

The format for lithological data was introduced at camps. A package CEMPGEDREP comprising six modules is developed for processing the basic data on PCs at RIs and on VAX at HQ of CMPDIL and the package linked to MINEX for further outputs. A software package to process geophysical well log data by linear programming method to interpret lithology was developed.

Remote sensing cell completed 13 projects during 1991-92 of which 2 were under S



& T Scheme for development jobs 2 were to assist the ongoing UNDP Projects and 9 were for creating data-base for various usages in the N. Karanpura Giridih, West Bokaro and Talcher Coalfields

## 17. RESEARCH & DEVELOPMENT

CMPDIL, a subsidiary of Coal India Limited has been entrusted with the function of co-ordination and monitoring of Research and Development activities in the Coal Sector. CMPDIL is also involved in planning, programming, budgeting and overseeing the implementation of research projects in Coal Sector and selling application of research findings.

The major achievements during the year in the field of R&D are as follows :

- Concerted research work was carried out to predict climatic condition in coal mines.
- The detailed study on phenomenon of roof fall in the u/g mines of SCCL was undertaken using acoustic emission technique and a reliable roof fall fore-warning system has been evolved.
- To predict make of methane in longwall faces, research work was undertaken in u/g mines of Jharia and Raniganj Coalfields.
- Intensive research was carried out in the u/g mines of ECL for use of Steel Sleepers from Colliery Scraps and thereby substituting the costly wooden sleepers as also conserving scarce wood.
- A new technology of modular washery incorporating Barrel washer and cyclones to wash Indian Coal has been established.
- A demonstration unit of fluidised gas bed coal gasifier has been set up under the research scheme at IICT, Hyderabad.

## 18. ENVIRONMENTAL ENGINEERING

During the year 1991-92 CMPDIL formulated Environmental Management Plan for 28 mining projects and one Non-Mining project. Continued thrust was given for strengthening environmental data base.

## 19. COMMUNICATION SYSTEM

In Telecommunication areas significant advancement has been made in pursuit of implementation of CIL's COALNET programme.

As many as 3 Satellite Earth Stations utilising 4.5 metre dish antenna have been set up at Margherita (NEC) and 2 important coal producing areas Patherkhera and Pench of (WCL), over the National Satellite INSAT 1D. These Satellite links have helped to a large extent in bringing the above important coal producing companies into the main stream.

The prestigious Rajmahal Project of ECL has been linked with Digital UHF System. This connectivity is providing Hot-line connection with CIL, as well as extending much needed STD and FAX communication facility from Rajmahal with the outside World which was, so far, remaining as an essential requirement for smooth execution of this remote mining project. Similar Digital UHF System has been installed for the shop Asanasol-Sanctoria for ECL which replaced the old overhead cables. With Commissioning of this Digital link, quality of Hot-line speech service between CIL, Calcutta and Sanctoria (ECL) has improved. Moreover, STD facility over the UHF link has also been introduced at Sanctoria recently.

An interim link over UHF System has been made linking Piparwar Project in CCL over which STD facility has been introduced. This facility is also proving to be of great help to the Project authorities and Australians in establishing contacts with outside World from Piparwar itself.

It has been possible to organise supply of 30 Nos. of Micro Satellite Earth Stations

(VSATS) for installation in the areas of ECL, CIL office, Calcutta, MCL at Sambalpur of exclusively for Data Communication from its sole indigenous manufacturer, M/S I.T.I. Bangalore.

In the areas of office automation communication gears and systems viz. Bilingual, Telex machines FAX, EPABX systems have been installed at various locations. These are helping considerably in meeting the inter and intra-communication needs of your company and its Subsidiary Companies.

## 20. COMPUTERISATION

For developing an effective information system for formulation of corporate policy all the Subsidiary companies of CIL has introduced computerisation at their Hqs and Areas, and some project sites. Your Company envisaged the need to network the computers not only within the company's jurisdiction but also upto Ministry of Coal, for proper sharing of information as may be needed in monitoring production and despatch of coal, equipment and manpower availability and utilisation, inventory control, materials management etc. to facilitate management of widely dispersed working units and optimise resource usage. The COALNET is such a network which is under implementation of various phases to meet the needs.

The major project which was taken by your company is to computerise its entire marketing operations and information system by October 1993.

For effective maintenance of equipment a PC based Computerised Maintenance Management System has been introduced in some of the large Opencast Mines. It is helping the user in streamlining the equipment maintenance activities. Action is on to extend terminals from stores computers to workshops so that availability of required spares can be checked instantly.

In order to streamline its functioning and to extend a high level consumer service, your company has installed 100 mini

computers, seven super mini computers and about 500 personal computers in CIL and its subsidiary companies. In the year 1991-92, 106 Nos. of computers were installed and 1075 persons were trained on various training programmes.

## 21. MINE SAFETY

The following measures were taken by your company in the last few years which resulted in all time low rate of fatality and serious injury per M.T. of coal production from 2.05 and 17.30 respectively in 1973 to 0.60 and 2.21 respectively during the year.

- Thrust on roof bolting and roof stitching
- Intensive monitoring and enforcement of support of green roof areas in mines.
- Create awareness at all levels by direct inter-action with Area Safety Officers and colliery safety officers of accident prone mines.
- Holding of Crash training programme at unit level.
- Periodic review with the chiefs of ISO of the Cos.
- Analysis of accidents due to roof fall and suggesting remedial measures etc.

The Companywise position of fatal accidents and fatalities and number of seriously injured persons during 1990-91 and 1991-92 is tabulated below :

| Company          | No. of Fatal Accidents |            | No. of Fatalities |            | No. of seriously injured persons |            |
|------------------|------------------------|------------|-------------------|------------|----------------------------------|------------|
|                  | 91-92                  | 90-91      | 91-92             | 90-91      | 91-92                            | 90-91      |
| ECL              | 31                     | 24         | 33                | 27         | 111                              | 137        |
| BCCL             | 29                     | 32         | 32                | 33         | 126                              | 166        |
| CCL              | 14                     | 18         | 15                | 19         | 17                               | 43         |
| NCL              | 3                      | 5          | 4                 | 5          | 10                               | 14         |
| WCL              | 15                     | 14         | 17                | 14         | 115                              | 179        |
| SECL             | 23                     | 19         | 23                | 22         | 72                               | 87         |
| NEC              | -                      | 3          | -                 | 3          | 1                                | 3          |
| <b>TOTAL CIL</b> | <b>115</b>             | <b>115</b> | <b>124</b>        | <b>123</b> | <b>452</b>                       | <b>629</b> |

**22. MINE RESCUE SERVICES**

After taking over from the Central Coal Mines Rescue Committee a comprehensive plan was formulated to pay a special impetus to Rescue Services. The plan covers the following areas :

- Construction of new stations
- Provision of Rescue equipments.
- back up support from manufacturers.
- Staffing of new stations.
- Up-gradation of training facilities.
- Introduction of new technology.
- Updated Communication System
- Special incentive scheme to attract competent executives to rescue services and also organising All India Rescue Competition.

**23. HUMAN RESOURCES DEVELOPMENT AND TRAINING**

An integrated plan was drawn up for utilisation of manpower and development of human resources of your company. The following strategies were adopted :

- a) Intensive training for upgradation of skill to meet the demand of skilled and highly skilled personnel.
- b) Training of operators and maintenance personnel for various HEMM equipments.
- c) Coaching of Supervisors to prepare them for statutory examination.
- d) Implementation of JETs training Scheme.
- e) Training abroad in technical disciplines for maintenance and operation of sophisticated equipment, mine management and exposure on advanced management concepts adopted in developed countries.
- f) Self development efforts and workers development programmes.

- g) Career growth of employees through departmental examinations for elevation to executive cadre.

The table below indicates the number of employees trained during the year 1991-92.

| Category   | Employees trained |
|------------|-------------------|
| Executive  | 7326              |
| Supervisor | 4629              |
| Worker     | 69859             |

A total number of 97 executives and non-executives were trained abroad during the year 1991-92.

**24. MANPOWER**

Total manpower of your company including its subsidiaries as on 31-3-1992 was 6,71,550 as against previous year total manpower of 6,74,623 thereby resulting in reduction in manpower to the extent of 3073.

Subsidiary Company wise position of manpower is as below

| Company               | As on   | Executives           | Supervisory/<br>clerical | Skilled/<br>Semi-skilled<br>unskilled | Non-categorised<br>(Others)* | Total         |
|-----------------------|---------|----------------------|--------------------------|---------------------------------------|------------------------------|---------------|
| BCL                   | 31.3.91 | 3383                 | 19892                    | 153025                                | 1589                         | 177889        |
|                       | 31.3.92 | 3474                 | 20207                    | 150616                                | 1298                         | 175595        |
| BCCL                  | 31.3.91 | 3761                 | 18194                    | 141996                                | 3472                         | 167423        |
|                       | 31.3.92 | 3753                 | 18511                    | 140769                                | 2619                         | 165652        |
| CCL                   | 31.3.91 | 3005                 | 11941                    | 82999                                 | 2831                         | 99976         |
|                       | 31.3.92 | 2991                 | 12137                    | 81362                                 | 2315                         | 98805         |
| WCL                   | 31.3.91 | 2072                 | 8808                     | 75563                                 | 111                          | 86554         |
|                       | 31.3.92 | 2115                 | 9056                     | 71114                                 | 3457                         | 85742         |
| SECL                  | 31.3.91 | 3167                 | 13106                    | 95559                                 | 3992                         | 115824        |
|                       | 31.3.92 | 3352                 | 13783                    | 98066                                 | 2817                         | 118018        |
| NCL                   | 31.3.91 | 1103                 | 2397                     | 11534                                 | -                            | 15034         |
|                       | 31.3.92 | 1215                 | 2582                     | 11866                                 | 4                            | 15667         |
| NEC                   | 31.3.91 | 116                  | 648                      | 4552                                  | -                            | 5316          |
|                       | 31.3.92 | 125                  | 645                      | 4523                                  | -                            | 5293          |
| CMPDIL                | 31.3.91 | 1247                 | 910                      | 2113                                  | 14                           | 4284          |
|                       | 31.3.92 | 1323                 | 879                      | 2110                                  | 99                           | 4411          |
| CIL(Hqrs) & DCC       | 31.3.91 | 515                  | 1065                     | 742                                   | 1                            | 2323          |
|                       | 31.3.92 | 532                  | 1083                     | 752                                   | 0                            | 2367          |
| <b>CIL As a whole</b> |         | <b>31.3.91 18369</b> | <b>76961</b>             | <b>568083</b>                         | <b>9932</b>                  | <b>674623</b> |
|                       |         | <b>31.3.92 18880</b> | <b>78883</b>             | <b>561178</b>                         | <b>12609</b>                 | <b>671550</b> |

\* Casuals, Badlies and Company Trainees included.

In order to meet the requirement for skilled manpower, your company undertook massive Apprentice Training for the new recruits under provisions of national Wage Agreement and also under Land Loosers Scheme during the year.

## 25. INDUSTRIAL RELATIONS

During the year under review, the industrial relations remain cordial except for a few wild cat strikes and law and order incidents resorted to by individual and



craft unions. The Subsidiarywise number of strikes, law and order disturbances, mandays lost and loss of production were as follows :-

| Com-<br>pany | No. of<br>Strikes |           | No. of<br>other<br>incidents |            | Mandays<br>Loss |              | Produc-<br>tion loss<br>(tonnes) |               | Wages<br>loss<br>(Rs.) |                |
|--------------|-------------------|-----------|------------------------------|------------|-----------------|--------------|----------------------------------|---------------|------------------------|----------------|
|              | 90-<br>91         | 91-<br>92 | 90-<br>91                    | 91-<br>92  | 90-<br>91       | 91-<br>92    | 90-<br>91                        | 91-<br>92     | 90-<br>91              | 91-<br>92      |
| ECL          | 20                | 23        | 85                           | 185        | 111200          | 7760         | 91010                            | 6805          | 10032000               | 855092         |
| BCCL         | 3                 | 1         | 17                           | 35         | 32761           | 8724         | 34646                            | 23010         | 4218785                | 961333         |
| CCL          | 5                 | 5         | 82                           | 81         | 12267           | 7913         | 26888                            | 15240         | 595597                 | 745581         |
| WCL          | 6                 | 15        | 8                            | 38         | 3746            | 10498        | 25063                            | 26649         | 274035                 | 1941400        |
| SECL         | 8                 | 7         | 28                           | 27         | 27708           | 53473        | 123390                           | 130390        | 3039520                | 5859902        |
| NCL          | 5                 | 3         | 33                           | 33         | 2020            | 2592         | 126                              | 0             | 272087                 | 7548           |
| NEC          | 1                 | 1         | 0                            | 0          | 92              | 182          | 92                               | 0             | 8138                   | 72             |
| CMPDIL       | 0                 | 1         | 0                            | 4          | 2542            | 1993         | 0                                | 987           | 0                      | 152124         |
| CIL &<br>DCC | 0                 | 0         | 0                            | 0          | 1967            | 0            | 0                                | 0             | 0                      | 0              |
| <b>Total</b> | <b>48</b>         | <b>56</b> | <b>253</b>                   | <b>403</b> | <b>194213</b>   | <b>92135</b> | <b>302350</b>                    | <b>203086</b> | <b>18440162</b>        | <b>9667968</b> |

Due to economic blockade made by jharkhand Mukti Morcha, from 21-3-92 to 30-3-92. Bharat Bandh on 22.11.91 and the Bandh on 22.5.91, the loss of production in ECL, BCCL and CCL was as follows:

| Name of the<br>Company | Mandays<br>lost | Production<br>lost | Wage Lost       |
|------------------------|-----------------|--------------------|-----------------|
| ECL                    | 157163          | 178575             | 9775370         |
| BCCL                   | 4717            | 30692              | 2147969         |
| CCL                    | 63257           | 184359             | 4033444         |
| <b>Total</b>           | <b>225137</b>   | <b>393626</b>      | <b>15956783</b> |





Your company had to face difficult situation during the year due to numerous problems on account of agitation, demonstration, obstruction by regional political parties, land oustees, unemployed youths resulting interruption of work in progress in construction projects, in the working of mines as also transportation of coal. The anti-social elements indulged in violence, assault on employees and theft of coal and other movable propertise.



## 26. ENVIRONMENTAL MANAGEMENT AND SOCIAL AMENITIES

Efforts were continued during the year to provide more welfare and social amenities by constructing more hospital buildings, water supply arrangements and also providing more medical and educational facilities; the position of which were as follows :-

| Item                          | Addl. during 1991-92                 | Position as on 31.3.92 |
|-------------------------------|--------------------------------------|------------------------|
| i) Houses                     | 8614 Nos. addl. construction         | 3,47,862               |
| ii) Water Supply              | 58715 Nos. addl. population covered. | 21,11,604              |
| iii) Educational Institutions |                                      | 1,154                  |

| Item                    | Addl. during 1991-92 | Position as on 31.3.92 |
|-------------------------|----------------------|------------------------|
| iv) Co-operative Stores |                      |                        |
| a) Primary              |                      | 132                    |
| b) Central              |                      | 10                     |
| c) Credit Society       |                      | 150                    |
| v) Bank                 |                      | 223                    |
| vi) Ambulance           |                      | 604                    |
| vii) Hospital           |                      | 78                     |
| ix) Hospital Beds       |                      | 5302                   |
| x) Creche               |                      | 126                    |
| xi) Canteen             |                      | 392                    |

### 26.2 Environment & Ecology

Afforestation :- 105.34 Lakhs trees planted during 1991-92.

### 26.3 Welfare & Sports

As in the previous years thrust has been bestowed on more welfare amenities and Sports and Games. Recreational and Cultural facilities have also been activated in the Companies.

### 27. PROGRESSIVE USE OF HINDI

The impetus for implementation of Official Languages Act and propagation for progressive use of Hindi continued to be given in your company during the year. Facilities, such as type-writers, training classes and training in Hindi language for non-Hindi speaking people were taken up massively. The use of Hindi in the official functioning was also given higher emphasis and day to day functioning has been started in some areas of the organisation.

Various publications such as 'Khanan Bharati' supported by 'Basundhara', 'Pal-lav', 'Pratibimb', 'Sampada' added the glory in use of Hindi in your company. Massive literary drive was undertaken in your company to acquire cent percent literary among the employees.

To commemorate the tercentenary year of Calcutta-the city of the birth place of modern Hindi language, a book entitled "Hindi Navjagaram : Bangiya Birasat" was pub-

lished depicting origin and development of Hindi in Calcutta.

### 28. PAYMENT OF ROYALTY, CESS AND SALES TAX

CIL and its Subsidiaries during the year 1991-92 paid Central and State Governments Rs. 1412.43 crores against Rs.1134.17 crores in previous year. The break-up of Royalty, Cess and Sales Tax payments for 1991-92 and 1990-91 are indicated below :

|                               | (Rs. in Crores) |                |
|-------------------------------|-----------------|----------------|
|                               | 1991-92         | 1990-91        |
| Royalty                       | 720.71          | 88.26          |
| Cess (including other levies) | 415.46          | 797.97         |
| Sales Tax (State and Central) | 276.26          | 247.94         |
| <b>Total</b>                  | <b>1412.43</b>  | <b>1134.17</b> |

### 29. COAL PRICE

The Pit head price of coal is fixed by Central Government under the Colliery Control order 1945. The Central Government has revised the average pit head price of coal for CIL from Rs. 249 to Rs. 322 per tonne with effect from 28.12.91 for the increased cost of inputs, as per BICP escalation formula. The prices of Hard Coke have also been revised w.e.f. 28.12.91 consequent on

*By-product plant at Dankuni Coal Complex*



revision of Raw Coal Price. The prices of Soft Coke have not been revised.

### 30. DANKUNI COAL COMPLEX

Production of the different products of Dankuni Coal Complex during 1991-92 against the target is as follows :

|               | Figs. in '000' Tonnes    |                     |
|---------------|--------------------------|---------------------|
|               | Production               | Target              |
| 1. CILCOKE    | 64.6                     | 56.8                |
| 2. Coke fines | 12.18                    | 10.0                |
| 3. Coal fines | 127.25                   | 122.1               |
| 4. Crude Tar  | 6.87                     | -                   |
| 5. Gas        | 23161246 NM <sup>3</sup> | -                   |
|               | (3902000) in therms      | (3300000) in therms |

Primary distillation section of the Tar Distillation Plant was commissioned in March '92 and till date 500 tonnes of Pitch, 500 tonnes of Heavy Oil, 100 tonnes in Neutral Oil and 140 K.L. of Light Oil have been produced. Middle Oil and crude tar acid have been processed to produce the chemicals like phenol, cresol & xylene. On production of more of these crude chemicals, batch distillation plant will be run to produce pure varieties of these chemicals. If the Tar Distillation Plant runs steadily to process the entire crude tar produced, additional Rs. 1.25 crores will be generated from each battery.

Off-take of gas is no longer a problem and even 1 lac NM<sup>3</sup> production per day from two batteries could be continued by supplying to greater Calcutta Gas Supply Corporation and Alloy Steel Plant without flaring. Permission has been received from the Railway Board for Commissioning of the Rly siding at Dankuni and is expected that towards the end of Oct.92. The Railway siding will be commissioned for despatch Dunkuni Coal Complex produced 27.5 lakh NM<sup>3</sup> of Gas during August'92. This is the highest monthly production in the history of the plant.

### 31. BOARD OF DIRECTORS

During the year under review, Dr. M.P. Narayanan, Chairman retired on 31.7.1991 and Shri S.K. Chowdhary took over the charge as Chairman from 31st July '91 (AN) and was appointed as Chairman on 18.10.1991. Functional Directors Dr. S.K. Ghosh as Director (Technical) and Shri P.K. Sengupta as Director (Finance) continued during the year. Shri U.K. Choubey, Director (P&IR) resigned on 21st Feb '91 and Shri R.A.P. Singh was appointed as Director (P&IR) on 15.7.92.

The Board was reconstituted vide Ministry of Coal letter No. 21/26/91-ASO dated 2.12.91. Consequently S/Shri A.H. Jung, N. Sar, R.B. Mathur, R.N. Mishra, S.P. Varma, U. Kumar were ceased from the Directorship of the Company.

S/Shri B.B. Srivastava Adviser (Traffic) Railway Board and Prof. Abroar Ahmed, Management Faculty, Banaras Hindu University were appointed as Part-time Directors on the Board. Shri B. K. Singh, Addl. Secretary, Ministry of Coal and Shri Kosal Ram Joint Secretary and Financial Adviser Ministry of Coal were continued as Part-time Directors of the Board.

During the year 1991-92 Six meetings of the Board of Directors were held.

In terms of Articles 33d(iii) of the Articles of Association of the Company all the Directors excepting the Chairman, whole time Directors and Part-time non-official Directors shall retire at this meeting and they are eligible for re-appointment.

### 32. ACCOUNTS OF THE SUBSIDIARIES

The copies of Accounts of the Subsidiaries for the year 1991-92 are attached in Vol-II of the Annual Report and Accounts of your Company in compliance with requirement of Sec 212 of the Companies Act, 1956.

### ACKNOWLEDGEMENT

Your Directors sincerely appreciate the contribution made by the employees at all levels of your company and its subsidiaries and are confident that the employees would

continue to strive hard to improve performance in the years to come. Your Directors also wish to place on record their sincere thanks for the support and guidance received from the various departments of the Central Government particularly from the Ministry of Coal as also the concerned State Governments. Your Directors also acknowledge with thanks the assistance and guidance rendered by Statutory Auditors, Tax Auditors, the Comptroller and Auditor General of India, Members of the Company Law Board, Registrar of Companies, West Bengal.

#### ADDENDA

The following are annexd :

- i) The comments and review of the Comptroller and Auditor General of India.
- ii) Replies on observation made by the Statutory Auditors on the Accounts for the year ended 31.3.1992.

iii) Statement pursuant to See 212(i)(e) of the Companies Act, 1956 and

iii) The names and other particulars of the employees of the company who are in receipt of remuneration not less than Rs. 12,000/- per month in full or part of the year as stated in Annexure in compliance with the provisions of Sec.217(2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules 1975 as amended in 1990.

For and on behalf of the  
Board of Directors

S. K. CHOWDHARY  
Chairman

Calcutta

Dated 25th September, 1992

## BALANCE SHEET AS AT 31ST MARCH, 1992

|   | <u>Schedule</u> | <u>Current year</u> | <u>( Rs. in lakhs )</u> |            |
|---|-----------------|---------------------|-------------------------|------------|
|   |                 |                     | <u>Previous year</u>    |            |
| <b>SOURCES OF FUND</b>  |                 |                     |                         |            |
| Shareholders' Fund  |                 |                     |                         |            |
| Share Capital   | A               | 599907.26           |                         | 570171.84  |
| Amount and/or consideration received against equity pending allotment.        | B               | 168.45              |                         | 1159.45    |
| Reserve & Surplus   | C               | 445.22              |                         | 344.77     |
| <b>LOAN FUND</b>  |                 |                     |                         |            |
| Secured   | D               | 26420.84            | 33577.12                |            |
| Unsecured   | E               | 575855.00           | 602275.84               | 569256.10  |
| Total Funds Employed  |                 | 1202796.77          |                         | 1140932.16 |
| <b>APPLICATION OF FUND</b>  |                 |                     |                         |            |
| Fixed Assets  | F               |                     |                         |            |
| A. Fixed Assets   |                 | 19769.63            | 18522.33                |            |
| Less: Depreciation  |                 | 4821.70             | 3721.07                 | 14801.26   |
| B. Capital work-in-progress   |                 | 3676.87             |                         | 3834.39    |
| C. Expenditure during construction Period                                     |                 |                     |                         |            |
| Investment  | G               | 612805.63           |                         | 569198.32  |
| Current Assets, Loans & Advances  |                 |                     |                         |            |
| Inventories   | H               | 3044.52             | 2845.58                 |            |
| Sundry Debtors  | I               | 904.13              | 492.84                  |            |
| Cash & Bank Balance   | J               | 1685.61             | 1028.82                 |            |
| Loans & Advances  | K               | 567403.05           | 551385.87               |            |
|   |                 | 573037.31           | 555753.11               |            |
| Less: Current liabilities & provision   | L               | 20136.93            | 19947.93                |            |
| Net Current Assets.   |                 | 552900.38           |                         | 535805.18  |
| <b>A. MISCELLANEOUS EXPENDITURE</b>   |                 |                     |                         |            |
| (to the extent not written off or adjusted)                                   | M               | 2638.53             |                         | 3727.42    |
| <b>B. PROFIT &amp; LOSS ACCOUNT</b>   |                 |                     |                         |            |
|   |                 | 15827.43            |                         | 13565.59   |
|   |                 | 1202796.77          |                         | 1140932.16 |
| Accounting Policy and Notes to the Accounts are forming part of the Accounts. |                 |                     |                         |            |
|   | N               |                     |                         |            |

Sd/-  
U. Suryanarayana  
Company Secretary

Sd/-  
S.V.R. Rao  
General Manager (F)

Sd/-  
P.K.Sengupta  
Director  
(Finance)

Sd/-  
S.K.Chowdhary  
Chairman

In terms of our report of even date

Calcutta  
Dated 23rd Sept., 1992

For J. GUPTA & CO.  
Chartered Accountants  
Sd/- Dated 24.9.92  
(S. Chakrabarty)  
Partner

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1992**

|   | Schedule | Current year | ( Rs. in lakhs )<br>Previous year |
|---|----------|--------------|-----------------------------------|
| <b>INCOME :</b>   |          |              |                                   |
| Sale of Coal, Coke etc.   | 1        | 13923.89     | 12304.45                          |
| Coal issued for other purposes<br>per contra.                                   | 2        | 150.05       | 133.99                            |
| Other Receipts  | 3        | 2363.62      | 2383.63                           |
| Accretion of Stock  | 4        | 36.04        | —                                 |
| C P R A   |          | —            | 655.69                            |
|   |          | 16473.60     | 15477.76                          |
| <b>EXPENDITURE :</b>  |          |              |                                   |
| Decretion in Stock  |          | —            | 1112.42                           |
| Purchase of Coal, Coke etc.   | 5        | 7033.87      | 6950.33                           |
| Employees Remuneration & Benefits   | 6        | 3531.13      | 2970.81                           |
| Consumption of Stores & Spare parts   | 7        | 630.27       | 502.58                            |
| Power & Fuel  | 8        | 459.71       | 309.21                            |
| Repairs   | 9        | 177.89       | 179.45                            |
| Contractual Expenses  | 10       | 2003.17      | 1118.05                           |
| Social Overhead   | 11       | 655.22       | 661.60                            |
| Depreciation  |          | 963.59       | 882.05                            |
| Interest  | 12       | 1625.30      | 1378.92                           |
| Provisions  | 13       | 36.14        | 65.84                             |
| Coal issued for other purposes per<br>contra                                    | 14       | 14.72        | 12.99                             |
| Other Expenditure   | 15       | 1471.29      | 1462.04                           |
| Finance expenses for Bonds and Public<br>Deposit                                | 16       | 11.06        | 9.45                              |
| Contribution to Coal Price Regulation<br>Account.                               |          | 1.09         | —                                 |
| Deferred revenue expenditure of DCC<br>amortised                                |          | 434.94       | 434.94                            |
| Profit/Loss (-) for the year  |          | 19049.39     | 18050.68                          |
| Prior Period Adjustment   |          | (-) 2575.79  | (-) 2572.92                       |
|   | 17       | 313.95       | (-) 213.98                        |
| Profit/Loss (-) for the year<br>(after Prior Period Adjustment)                 |          | (-) 2261.84  | (-) 2786.90                       |
| Balance of loss carried forward<br>from previous year                           |          |              |                                   |
| Balance of loss transferred to<br>Balance Sheet                                 |          | (-) 13565.59 | (-) 10778.69                      |
| Accounting Policy and Notes to<br>the Accounts are forming part of the Accounts | N        | (-) 15827.43 | (-) 13565.59                      |

Sd/-  
U. Suryanarayana  
Company Secretary

Sd/-  
S V R Rao  
General Manager (F)

Sd/-  
P.K. Sengupta  
Director  
(Finance)

Sd/-  
S.K. Chowdhary  
Chairman

Calcutta  
Dated the 23th Sept., 1992

In terms of our report of even date  
For J Gupta & Co.  
Chartered Accountants  
Sd/- Dated 24/9/92  
(S Chakrabarty)  
Partner

## SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 1992

### SCHEDULE - A

|   | Current year | ( Rs. in lakhs )<br>Previous year |
|---|--------------|-----------------------------------|
| <b>SHARE CAPITAL</b>  |              |                                   |
| <b>Authorised Capital</b>   |              |                                   |
| 8,00,00,000 Equity Shares of Rs.1000/- each<br>(previous year 6,00,00,000 Equity Shares of<br>Rs.1000/- each)   | 8,00,000.00  | 6,00,000.00                       |
| Issued Subscribed & paid up 5,74,21,387 Equity<br>Shares of Rs.1000/- each fully paid in cash<br>(previous year 54447845 Equity Shares of<br>Rs.1000/- each)                    | 5,74,213.87  | 5,44,478.45                       |
| 25,69,339 Equity Shares of Rs.1000/- each<br>allotted as fully paid up for consideration<br>received other than cash (previous year 2569339<br>Equity Shares of Rs.1000/- each) | 25,693.39    | 25,693.39                         |
|   | 5,99,907.26  | 5,70,171.84                       |

### SCHEDULE - B

|   | Current year | ( Rs. in lakhs )<br>Previous year |
|---|--------------|-----------------------------------|
| Amount and/or consideration received<br>from Government of India against Equity<br>pending allotment. |              |                                   |
| For Equity Fund   | —            | 1,000.00                          |
| For Land compensation   | 168.45       | 159.45                            |
|   | 168.45       | 1,159.45                          |

### SCHEDULE - C

|  | Current year | ( Rs. in lakhs )<br>Previous year |
|--|--------------|-----------------------------------|
| <b>RESERVE &amp; SURPLUS :</b>                                   |              |                                   |
| Investment Allowance Reserve                                     | 344.77       | 344.77                            |
| Less : Transferred to Investment<br>Allowance Reserve (Utilised) | 344.77       | 344.77                            |
| Investment Allowance Reserve (Utilised)                          | 344.77       | —                                 |
| Bond redemption Reserve  | 100.45       | —                                 |
|  | 445.22       | 344.77                            |

## SCHEDULE TO BALANCE SHEET (CONTD.)

## SCHEDULE - D

|  | <u>Current year</u> |          | <u>( Rs. in lakhs )<br/>Previous year</u> |          |
|--|---------------------|----------|---|----------|
| <b>SECURED LOANS</b>   |                     |          |   |          |
| Cash Credit from Scheduled Banks (secured by hypothecation of stock of Stores & Spare Parts, Stock of Coal & Coke, Book Debts & other Assets).   |                     |          |   |          |
| State Bank of India  | 15772.37            |          | 15084.19                                  |          |
| Punjab National Bank   | 5108.07             |          | 4356.17                                   |          |
| United Bank of India   | 18.01               |          | 1874.49                                   |          |
| Canara Bank  | 1448.91             |          | 1262.28                                   |          |
| Bank of Baroda   | 1759.38             |          | 999.99                                    |          |
| Grindlays Bank   | 2000.83             | 26107.57 | —   | 23577.12 |
| Term loan from ONGC (Secured against guarantee given by Government of India and also by second charge on stock of Stores & Spare Parts, Stock of Coal & Coke, Book Debts & other Assets) |                     | —        |   | 10000.00 |
| Interest accrued & due   |                     | 313.27   |   | —        |
|  |                     | 26420.84 |   | 33577.12 |

## SCHEDULE - E

|   |          | <u>Current year</u> |          | <u>( Rs. in lakhs )<br/>Previous year</u> |  |
|---|----------|---------------------|----------|---|--|
| <b>Unsecured Loans</b>  |          |                     |          |   |  |
| Long term loan from Government of India   |          | 387423.11           |          | 380427.11                                 |  |
| Secured Bonds (both to be secured by equitable mortgage/ hypothecation of Fixed Assets of Northern Coalfields Limited). |          |                     |          |   |  |
| 13% Non-convertible Secured Bonds   | 45000.00 |                     | 45000.00 |   |  |
| 9% Non-convertible (Tax free) Secured Bonds   | 15000.00 | 60000.00            | 15000.00 | 60000.00                                  |  |
| Short Term Loan from:   |          |                     |          |   |  |
| Neyveli Lignite Corpn. Ltd  | 12500.00 |                     |          |   |  |
| Unit Trust of India   | 10000.00 | 22500.00            |          |   |  |
| Public Deposits   |          |                     |          |   |  |
| Fixed   | 2658.53  |                     | 2422.87  |   |  |
| Cumulative  | 720.85   | 3379.38             | 683.68   | 3106.55                                   |  |
| Interest accrued and due  |          | 102552.51           |          | 92145.32                                  |  |
|   |          | 575855.00           |          | 535678.98                                 |  |

## SCHEDULE TO BALANCE SHEET (CONTD.)

## SCHEDULE - F

## FIXED ASSETS

(Rs. in lakhs)

|   | Cost            |                        |   |                  | Depreciation    |                        |   |                  | Net Block Total  |                  |  |
|---|-----------------|------------------------|---|------------------|-----------------|------------------------|---|------------------|------------------|------------------|--|
|   | As on<br>1.4.91 | Add during<br>the year | Adj./Sales/<br>Trans during<br>the year | Total<br>31.3.92 | As on<br>1.4.91 | Add during<br>the year | Adj./Sales/<br>Trans during<br>the year | Total<br>31.3.92 | As on<br>31.3.92 | As on<br>31.3.91 |  |
| Land a) Free hold   | 487.13          | 19.74                  | (-) 20.58                               | 486.29           | -               | -                      | -                                       | -                | 486.29           | 487.13           |  |
| b) Leasehold  | 8.25            | -                      | 20.58                                   | 28.83            | 0.67            | 0.09                   | -                                       | 0.76             | 28.07            | 7.58             |  |
| Building - Free hold  | 3052.37         | 233.50                 | -                                       | 3285.87          | 264.57          | 75.35                  | 8.80                                    | 348.72           | 2937.15          | 2787.80          |  |
| Plant & Machinery   | 11135.66        | 427.66                 | (-) 13.99                               | 11549.33         | 2624.90         | 782.43                 | 3.00                                    | 3410.33          | 8139.00          | 8510.76          |  |
| Furniture Fittings/<br>Office Equipment   | 326.66          | 37.76                  | (-) 0.55                                | 363.87           | 80.32           | 17.13                  | (-) 0.11                                | 97.34            | 266.53           | 246.34           |  |
| Railway Siding  | 829.51          | 0.56                   | -                                       | 830.07           | 58.31           | 42.74                  | -                                       | 101.05           | 729.02           | 771.20           |  |
| Vehicles  | 191.37          | 6.78                   | (-) 0.13                                | 198.02           | 76.78           | 16.43                  | -                                       | 93.21            | 104.81           | 114.59           |  |
| Aircraft  | 101.63          | 303.51                 | -                                       | 405.14           | 80.95           | 36.84                  | -                                       | 117.79           | 287.35           | 20.68            |  |
| Telecommunication   | 144.76          | 6.31                   | -                                       | 151.07           | 22.35           | 7.62                   | 0.05                                    | 30.02            | 121.05           | 122.41           |  |
| Development   | 1824.24         | 193.87                 | -                                       | 2018.11          | 461.59          | 92.60                  | 0.20                                    | 554.39           | 1463.72          | 1362.65          |  |
| Prospecting & Boring  | 420.75          | 32.28                  | -                                       | 453.03           | 50.63           | 17.46                  | -                                       | 68.09            | 384.94           | 370.12           |  |
| <b>Total</b>  | <b>18522.33</b> | <b>1261.97</b>         | <b>(-) 14.67</b>                        | <b>19769.63</b>  | <b>3721.07</b>  | <b>1088.69</b>         | <b>11.94</b>                            | <b>4821.70</b>   | <b>14947.93</b>  | <b>14801.26</b>  |  |
| Expenditure during<br>Construction Pending<br>allocation<br>Capital<br>work-in-progress | 3834.39         |                        | (-) 157.52                              | 3676.87          |                 |                        |   |                  | 3676.87          | 3834.39          |  |
| <b>Grand Total</b>  | <b>22356.72</b> | <b>1261.97</b>         | <b>(-) 172.19</b>                       | <b>23446.50</b>  | <b>3721.07</b>  | <b>1088.69</b>         | <b>11.94</b>                            | <b>4821.70</b>   | <b>18624.80</b>  | <b>18635.65</b>  |  |
| <b>PREVIOUS YEAR</b>  |                 |                        |   |                  |                 |                        |   |                  |                  |                  |  |
| Fixed Assets  | 8205.08         | 10549.31               | (-) 232.06                              | 18522.33         | 2762.51         | 945.47                 | 13.09                                   | 3721.07          | 14801.26         | 5442.57          |  |
| Expenditure during<br>Construction<br>Capital<br>work-in-progress                       | 3186.85         |                        | (-) 3186.85                             | -                |                 |                        |   |                  |                  |                  |  |
|   | 9397.05         |                        | (-) 5562.66                             | 3834.39          |                 |                        |   |                  | 3834.39          | 9397.05          |  |

## SCHEDULE TO BALANCE SHEET (CONTD.)

| Allocation of Depreciation | ( Rs. in lakhs ) |               |
|----------------------------|------------------|---------------|
|                            | Current year     | Previous year |
| Profit & Loss Account      | 963.59           | 882.05        |
| Social Overhead            | 43.05            | 47.18         |
| Prior Period Adjustment    | 12.91            | 14.15         |
| Development                | 5.62             | 4.77          |
| O B R                      | 76.40            | 11.50         |
| Other adjustment           | (-) 0.94         | (-) 1.09      |
| <b>Total</b>               | <b>1100.63</b>   | <b>958.56</b> |

## SCHEDULE - G

| INVESTMENT  | ( Rs. in lakhs ) |                  |
|---|------------------|------------------|
|   | Current year     | Previous year    |
| 10390000 fully paid Equity Shares of Rs.1,000/- each in Eastern Coalfields Ltd. (previous year 9774300 Equity Shares of Rs.1,000/- each)                  | 103900.00        | 97743.00         |
| 9400000 fully paid Equity Shares of Rs.1,000/- each in Central Coalfields Ltd. (previous year 8298907 Equity Shares of Rs.1,000/- each)                   | 94000.00         | 82989.07         |
| 11220000 fully paid Equity Shares of Rs.1,000/- each in Bharat Coking Coal Ltd. (previous year 10476300 Equity Shares of Rs.1,000/- each.)                | 112200.00        | 104763.00        |
| 7110000 fully paid Equity Shares of Rs.1,000/- each in Western Coalfields Ltd. (previous year 6632800 Equity Shares of Rs.1,000/- each.)                  | 71100.00         | 66328.00         |
| 11760000 fully paid Equity Shares of Rs.1,000/- each in Northern Coalfields Ltd. (previous year 11278262 Equity Shares of Rs.1,000/- each.)               | 117600.00        | 112782.62        |
| 11210000 fully paid Equity Shares of Rs.1,000/- each in South Eastern Coalfields Ltd. (previous year 10268700 Equity Shares of Rs.1,000/- each.)          | 112100.00        | 102687.00        |
| 190400 fully paid Equity Shares of Rs.1,000/- each in CMPDIL (previous year 1,90,400 Equity Shares of Rs.1,000/- each.)                                   | 1904.00          | 1,904.00         |
| 16334 fully paid Equity Shares of Rs.10/- each in Management and Technology Appliances (India) Ltd. (previous year 16,334 Equity Shares of Rs.10/- each.) | 1.63             | 1.63             |
|   | <b>612805.63</b> | <b>569198.32</b> |

## SCHEDULE TO BALANCE SHEET (CONTD.)

## SCHEDULE - H

|   |              | ( Rs. in lakhs )    |                      |
|---|--------------|---------------------|----------------------|
|   |              | <u>Current year</u> | <u>Previous year</u> |
| <b>INVENTORIES</b>  |              |                     |                      |
| (As valued and certified by the Management)                                       |              |                     |                      |
| Stock of stores & spare parts (at cost)   | 682.65       |                     | 708.56               |
| Less : Provision of slow-moving/<br>non-moving obsolescence/<br>shortage          | <u>35.28</u> | 647.37              | <u>35.28</u> 673.28  |
| Stores-in-transit (at cost)   |              | <u>205.84</u>       | <u>2.06</u>          |
|   |              | 853.21              | 675.34               |
| Stock of Coal, Coke etc. (at net selling price in NEC and at cost in CMO and DCC) | 1500.60      |                     | 1555.34              |
| Coal & Coke-in-transit  | 52.81        |                     | 278.15               |
| Coal & Coke Fines   | 195.19       |                     | 111.74               |
| CIL COKE  | 259.87       |                     | 107.85               |
| Coal Tar  | 145.41       |                     | 78.47                |
| Other By-products   | 6.34         |                     | 0.59                 |
| Chemicals   | 22.56        |                     | 30.88                |
| Stock of Bricks (at cost)   | <u>8.53</u>  | <u>2191.31</u>      | <u>7.22</u> 2170.24  |
|   |              | <u>3044.52</u>      | <u>2845.58</u>       |

## SCHEDULE TO BALANCE SHEET (CONTD.)

## SCHEDULE - I

|   | ( Rs. in lakhs )               |                 |
|---|--------------------------------|-----------------|
|   | Current year                   | Previous year   |
| <b>Sundry Debtors (Unsecured)</b>   |                                |                 |
| Debts outstanding for period exceeding six months                               | 83.99                          | 87.43           |
| Other Debts   | 873.65                         | 459.00          |
|   | 957.64                         | 546.43          |
| Less: Provision   | 53.51                          | 53.59           |
|   | 904.13                         | 492.84          |
| <b>Classification :</b>   |                                |                 |
| Considered good   | 904.13                         | 492.84          |
| Considered doubtful   | 53.51                          | 53.59           |
|   | Maximum amount due at any time | Closing balance |
|   | During current year            | Current year    |
|   | During previous year           | Previous year   |
| Due by the Companies under the same management with the names of the Companies. | —                              | —               |
| Due by the parties in which the Director(s) of the Companies is/are interested. | —                              | —               |

## SCHEDULE - J

|  | ( Rs. in lakhs ) |               |
|--|------------------|---------------|
|  | Current year     | Previous year |
| <b>CASH &amp; BANK BALANCES</b>            |                  |               |
| Cash, Cheques, Drafts, Stamps etc. in hand | 28.23            | 253.93        |
| Remittance-in-transit                      | 126.35           | 229.71        |
| In Current Account with Scheduled Banks    | 1527.59          | 526.71        |
| With Post Office Savings Bank Account      | 3.13             | 6.15          |
| Public Deposit Account                     | 0.31             | 12.32         |
|  | 1685.61          | 1028.82       |

## SCHEDULE TO BALANCE SHEET (CONTD.)

## SCHEDULE - K

| ( Rs. in lakhs )   |                     |                  |                      |                  |
|--|---------------------|------------------|----------------------|------------------|
|  | <u>Current year</u> |                  | <u>Previous year</u> |                  |
| <b>LOANS &amp; ADVANCES (UNSECURED) (ADVANCE RECEIVABLE IN CASH OR FOR VALUE TO BE RECEIVED)</b> |                     |                  |                      |                  |
| <b>ADVANCES TO SUPPLIERS</b>   |                     |                  |                      |                  |
| For Capital  | 153.19              |                  | 656.28               |                  |
| For Others   | 178.44              | 331.63           | 92.81                | 749.09           |
| <b>ADVANCES TO CONTRACTORS</b>   |                     |                  |                      |                  |
| For Capital works  | 3.29                |                  | 9.91                 |                  |
| For Others   | 0.06                | 3.35             | 0.21                 | 10.12            |
| <b>ADVANCES TO EMPLOYEES</b>   |                     |                  |                      |                  |
| For House Building   | 261.39              |                  | 216.73               |                  |
| For Motor Car & Other Conveyance   | 29.45               |                  | 31.03                |                  |
| For Others   | 29.19               | 320.03           | 25.71                | 273.47           |
| <b>DEPOSITS</b>  |                     |                  |                      |                  |
| For Custom duty & Port charges   | 456.92              |                  | 276.53               |                  |
| For Short Term Deposit   | —                   |                  | 11000.00             |                  |
| For Deposit with Bank for Bond redemption  | 1411.45             |                  | —                    |                  |
| For Other Deposits   | 56.76               | 1925.13          | 47.83                | 11324.36         |
| Other Advances   |                     | 204.40           |                      | 271.55           |
| <b>AMOUNT DUE FROM THE GOVERNMENT OF INDIA</b>   |                     |                  |                      |                  |
| For transaction on behalf of Ex-Coal Board   | 3.99                |                  | 5.36                 |                  |
| For interest subsidy on non-plan loan  | 1551.62             |                  | 1551.62              |                  |
| For subsidy receivable   | 50.00               | 1605.61          | 50.54                | 1607.52          |
| Claims receivable  |                     | 476.08           |                      | 342.48           |
| Prepaid Expenses   |                     | 31.78            |                      | 22.01            |
| In current Account with Subsidiaries of Holding Company  |                     | 562672.37        |                      | 536919.79        |
|  |                     | 567570.38        |                      | 551520.39        |
| Less: Provision  |                     | 167.33           |                      | 134.52           |
|  |                     | <b>567403.05</b> |                      | <b>551385.87</b> |
| <b>CLASSIFICATION</b>  |                     |                  |                      |                  |
| Considered good  |                     | <b>567403.05</b> |                      | <b>551385.87</b> |
| Considered doubtful  |                     | 167.33           |                      | 134.52           |

## SCHEDULE TO BALANCE SHEET (CONTD.)

## SCHEDULE - K (CONTD.)

## AMOUNT DUE FROM SUBSIDIARY COMPANIES :

|   | Maximum amount due at<br>any time during the year |                  | (Rs. in Lakhs)<br>Closing Balance |                  |
|---|---|------------------|-----------------------------------|------------------|
|   |   |                  |                                   |                  |
|   | Current<br>year                                   | Previous<br>year | Current<br>year                   | Previous<br>year |
| Eastern Coalfields Limited                          | 150412.36   | 104085.44        | 109455.93                         | 98673.03         |
| Bharat Coking Coal Limited                          | 192474.47   | 177865.94        | 185017.18                         | 171086.56        |
| Central Coalfields Limited                          | 60745.39  | 54809.49         | 51447.74                          | 54809.49         |
| Western Coalfields Limited                          | 38391.12  | 55386.26         | 38391.12                          | 45386.26         |
| Northern Coalfields Limited                         | 94065.66  | 95246.73         | 94065.66                          | 95246.73         |
| South Eastern Coalfields Limited                    | 85889.26  | 71940.29         | 85889.26                          | 71940.29         |
| Central Mine Planning & Design<br>Institute Limited | (-) 1594.52                                       | 1282.65          | (-) 1594.52                       | (-) 220.87       |

Notes : House Building and cars/scooters advance for Rs.290.84 lakhs (Previous year Rs.247.76 lakhs) included under Loans & Advances (unsecured) considered good and are secured by equitable mortgages on assets concerned.

## SCHEDULE TO BALANCE SHEET (CONTD.)

## SCHEDULE - L

| CURRENT LIABILITIES & PROVISIONS                        | ( Rs. in lakhs ) |                 |               |                 |
|---|------------------|-----------------|---------------|-----------------|
|   | Current year     |                 | Previous year |                 |
| CURRENT LIABILITIES                                     |                  |                 |               |                 |
| SUNDRY CREDITORS  |                  |                 |               |                 |
| For Capital including Revenue Stores                    | 550.43           |                 | 664.25        |                 |
| For Coal  | 793.62           | 1344.05         | 1379.70       | 2043.95         |
| Advance from Customer                                   |                  | 1249.76         |               | 1731.67         |
| Deposits  |                  | 381.83          |               | 435.13          |
| Advance Deposit (Pre-Nationalisation)                   |                  | 20.85           |               | 20.85           |
| EMPLOYEES REMUNERATION & BENEFITS                       |                  |                 |               |                 |
| Salaries, Wages & Allowances                            | 267.38           |                 | 337.61        |                 |
| Attendance Bonus  | 3.88             |                 | 2.42          |                 |
| Ex-gratia   | 151.23           |                 | 118.60        |                 |
| Unpaid Salaries, Wages etc.                             | 2.03             | 424.52          | 3.28          | 461.91          |
| OTHER EXPENSES  |                  |                 |               |                 |
| Power & Fuel  | 50.48            |                 | 29.47         |                 |
| Contractual Expenses                                    | 362.78           |                 | 294.65        |                 |
| Others  | 172.92           | 586.18          | 47.17         | 371.29          |
| Due to Govt. of India<br>(including ex-owners Accounts) |                  | 77.60           |               | 69.05           |
| Interest accrued but not due on Loan                    |                  | 14658.14        |               | 13720.60        |
| Assam Land Tax  |                  | 390.27          |               | 349.44          |
| SALES TAX   |                  |                 |               |                 |
| State   | 20.27            |                 | 20.76         |                 |
| Central   | 8.31             | 28.58           | 37.16         | 57.92           |
| Royalty & Cess on Coal                                  |                  | 7.03            |               | 16.97           |
| Provident Fund  |                  | 34.61           |               | 33.00           |
| Turnover Tax  |                  |                 |               | 1.11            |
| INCOME TAX  |                  |                 |               |                 |
| Public Deposit  | 1.04             |                 | 0.46          |                 |
| Employees   | 25.50            |                 | 17.59         |                 |
| Contractors   | 1.62             | 28.16           | 3.07          | 21.12           |
| Professional Tax  |                  | 1.48            |               | 2.81            |
| Other Liability   |                  | 903.87          |               | 611.11          |
|   |                  | <b>20136.93</b> |               | <b>19947.93</b> |

## SCHEDULE TO BALANCE SHEET (CONTD.)

## SCHEDULE - M

|   |         | ( Rs. in lakhs ) |                |
|---|---------|------------------|----------------|
|   |         | Current year     | Previous year  |
| <b>MISCELLANEOUS EXPENDITURE</b>  |         |                  |                |
| (To the extent not written off or adjusted)                                     |         |                  |                |
| <b>OVERBURDEN REMOVAL :</b>   |         |                  |                |
| As per last Account   |         | 402.25           | 609.03         |
| Expenditure during the year   |         |                  |                |
| Contractual   | 1075.64 | 420.40           |                |
| Departmental  | 208.91  | 1284.55          | 214.73         |
|   |         | 1686.80          | 1244.16        |
| Less: Adjustment  |         |                  |                |
| Contractual   | 1335.19 | 627.18           |                |
| Departmental  | 208.91  | 1544.10          | 214.73         |
|   |         | 142.70           | 402.25         |
| Discount on Bond  |         | 2060.89          | 2455.29        |
| Excess of expenditure over<br>income of DCC deferred for<br>future amortisation |         |                  |                |
| As per last Account   | 869.88  | 1400.00          |                |
| Less: Addition/adjustment<br>during the year                                    | —       | 95.18            |                |
|   | 869.88  | 1304.82          |                |
| Less: 1/3rd amortised during<br>the year  | 434.94  | 434.94           | 434.94         |
|   |         | <b>2638.53</b>   | <b>3727.42</b> |

## SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1992

### SCHEDULE - 1

|                               |          |                     | ( Rs. in lakhs )     |                 |
|-------------------------------|----------|---------------------|----------------------|-----------------|
|                               |          | <u>Current year</u> | <u>Previous year</u> |                 |
| <b>SALE OF COAL COKE ETC.</b> |          |                     |                      |                 |
| Coal                          | 12606.80 |                     | 12109.31             |                 |
| Coke                          | 136.65   |                     | 138.69               |                 |
| Gas, CIL Coke, Coal, Tar etc. | 2636.58  | 15380.03            | 1459.41              | 13707.41        |
| <b>Less: Statutory levies</b> |          |                     |                      |                 |
| Royalty on Coal               | 64.23    |                     | 58.92                |                 |
| Stowing Excise Duty           | 34.42    |                     | 31.74                |                 |
| Assam Land Tax                | 867.27   |                     | 901.64               |                 |
| <b>Sales Tax :</b>            |          |                     |                      |                 |
| Central                       | 233.05   |                     | 135.80               |                 |
| State                         | 257.17   | 1456.14             | 274.86               | 1402.96         |
|                               |          | <u>13923.89</u>     |                      | <u>12304.45</u> |

### SCHEDULE - 2

|  |  |                     | ( Rs. in lakhs )     |               |
|--|--|---------------------|----------------------|---------------|
|  |  | <u>Current year</u> | <u>Previous year</u> |               |
| <b>COAL ISSUED FOR OTHER PURPOSE PER CONTRA.</b> |  |                     |                      |               |
| Boiler Consumption                               |  | 27.14               |                      | 16.18         |
| Free issue to Employees                          |  | 108.19              |                      | 104.82        |
| Brick Making                                     |  | 14.72               |                      | 9.61          |
| Others   |  | —                   |                      | 3.38          |
|  |  | <u>150.05</u>       |                      | <u>133.99</u> |

### SCHEDULE - 3

|                         |  |                     | ( Rs. in lakhs )     |         |
|-------------------------|--|---------------------|----------------------|---------|
|                         |  | <u>Current year</u> | <u>Previous year</u> |         |
| <b>OTHER RECEIPTS :</b> |  |                     |                      |         |
| Apex office charges     |  | 1735.55             |                      | 1758.13 |
| Subsidy                 |  | 158.87              |                      | 88.91   |
| Service Charges         |  | 29.79               |                      | 47.42   |

## SCHEDULE TO PROFIT &amp; LOSS ACCOUNT (CONTD.)

## SCHEDULE - 3 (Contd.)

|                                     | Current year   | ( Rs. in lakhs )<br>Previous year |
|-------------------------------------|----------------|-----------------------------------|
| Contractual Recoveries              | 216.18         | 349.01                            |
| Recovery of Transport Charges       | 124.64         | 68.43                             |
| <b>INTEREST RECEIVED :</b>          |                |                                   |
| Post Office Savings Bank Account    | 0.86           | 0.15                              |
| Loans & Advances to Employees       | 2.63           | 3.50                              |
| From Contractors                    | —              | 0.91                              |
| Rent (Outsiders)                    | 2.48           | 1.01                              |
| Sale of Bricks                      | 0.04           | 0.01                              |
| Value of Coal in Missing Wagon      | 6.23           | 0.43                              |
| Excess provision for Bad & Doubtful | 4.90           | 0.92                              |
| Debts and Advance written back      | 19.33          | 14.93                             |
| Brick used for Capital Jobs         | 45.90          | 16.12                             |
| Claims received                     | 0.32           | 33.75                             |
| Profit on Sale of Assets            | 15.90          | —                                 |
| Others                              | —              | —                                 |
|                                     | <b>2363.62</b> | <b>2383.63</b>                    |

## SCHEDULE - 4

|                              | Current year   | ( Rs. in lakhs )<br>Previous year |
|------------------------------|----------------|-----------------------------------|
| <b>ACCRETION IN STOCK :</b>  |                |                                   |
| <b>CLOSING STOCK</b>         |                |                                   |
| Coal, Coke etc.              | 1500.60        | 1555.34                           |
| Coal & Coke-in-Transit       | 52.81          | 278.15                            |
| Coal & Coke Fines            | 195.19         | 111.74                            |
| CIL Coke                     | 259.87         | 78.47                             |
| Coal Tar                     | 145.41         | 107.85                            |
| Chemicals                    | 22.56          | 30.88                             |
| Other Bye Products           | 6.34           | 0.59                              |
| Bricks                       | 8.53           | 7.22                              |
|                              | <b>2191.31</b> | <b>2170.24</b>                    |
| <b>Less: Opening Stock :</b> |                |                                   |
| Coal, Coke etc.              | 1555.34        | 3159.35                           |
| Less/Add : Adjustment        | 14.97          | 33.63                             |
| Coal & Coke-in-Transit       | 278.15         | 78.53                             |
| Coal & Coke Fines            | 111.74         | 1.68                              |
| Coal Tar                     | 78.47          | 1.72                              |
| CILCoke                      | 107.85         | —                                 |
| Chemicals                    | 30.88          | —                                 |
| Other Bye Products           | 0.59           | —                                 |
| Bricks                       | 7.22           | 7.75                              |
|                              | <b>2155.27</b> | <b>3282.66</b>                    |
|                              | <b>36.04</b>   | <b>(-) 1112.42</b>                |

## SCHEDULE TO PROFIT &amp; LOSS ACCOUNT (CONTD.)

## SCHEDULE-5

|                                    | Current year   | ( Rs. in lakhs )<br>Previous year |
|------------------------------------|----------------|-----------------------------------|
| <b>PURCHASE OF COAL, COKE ETC.</b> |                |                                   |
| Coal                               | 5611.72        | 5217.97                           |
| Coke                               | 61.14          | 72.84                             |
| Railway Freight                    | 1308.35        | 1541.66                           |
| Octroi and Entry Tax               | 24.08          | 24.68                             |
| P O L for Plant                    | 10.30          | 5.27                              |
| Chemicals for Plant                | 18.28          | 87.91                             |
|                                    | <b>7033.87</b> | <b>6950.33</b>                    |

## SCHEDULE-6

|   | Current year   | ( Rs. in lakhs )<br>Previous year |
|---|----------------|-----------------------------------|
| <b>EMPLOYEES REMUNERATION &amp; BENEFITS</b>                                      |                |                                   |
| Salary, Wages and Allowances<br>including O.T., Leave encashment, incentive etc., | 2817.26        | 2497.39                           |
| Contribution to P.F. & Other<br>Fund (Including Administrative charges)           | 264.14         | 209.90                            |
| Attendance Bonus  | 119.41         | 109.39                            |
| Ex-gratia   | 151.24         | 121.10                            |
| LTC/LLTC/RRF  | 217.20         | 114.12                            |
| Pension   | 2.48           | 2.28                              |
| Gratuity  | 88.88          | 88.15                             |
| Workmen Compensation  | 4.19           | 4.58                              |
| Group Insurance   | 12.05          | 11.63                             |
| D. L. I.  | 1.12           | 0.56                              |
| Life Cover Scheme   | 5.40           | 5.10                              |
| Less: Transferred per contra  | 3683.37        | 3164.20                           |
| Social Overhead   | 78.97          | 74.86                             |
| Development   | 9.07           | 4.08                              |
| O B R   | 64.20          | 193.39                            |
|   | <b>3531.13</b> | <b>2970.81</b>                    |

## SCHEDULE TO PROFIT &amp; LOSS ACCOUNT (CONTD.)

## SCHEDULE - 7

|  | Current year  | ( Rs. in lakhs )<br>Previous year |
|--|---------------|-----------------------------------|
| <b>CONSUMPTION OF STORES &amp; SPARE PARTS</b> |               |                                   |
| Explosives                                     | 75.02         | 38.79                             |
| Timber   | 185.31        | 139.88                            |
| P O L  | 82.82         | 77.07                             |
| Spaces For HEMM &<br>Other Mining Equipments   | 226.25        | 204.52                            |
| Other Social Overhead Stores<br>per contra     | 35.33         | 26.78                             |
| Power Consumption Stores                       | 14.71         | 6.80                              |
| Other Consumable Stores<br>& Spare Parts       | 120.97        | 125.73                            |
|  | <u>740.41</u> | <u>619.57</u>                     |
| Less : Transferred per contra                  |               |                                   |
| Repair & Maintenance                           | 12.24         | 7.04                              |
| Development                                    | 1.17          | 1.62                              |
| O B R  | 15.63         | 46.51                             |
| Social Overhead                                | 35.33         | 26.78                             |
| Power & Fuel                                   | 15.85         | 8.05                              |
| Other Expenditure                              | 29.92         | 26.99                             |
|  | <u>110.14</u> | <u>116.99</u>                     |
|  | <u>630.27</u> | <u>502.58</u>                     |

## SCHEDULE-8

|                                     | Current year  | ( Rs. in lakhs )<br>Previous year |
|-------------------------------------|---------------|-----------------------------------|
| <b>POWER &amp; FUEL :</b>           |               |                                   |
| Purchase of Electricity             | 478.09        | 344.92                            |
| <b>POWER GENERATION</b>             |               |                                   |
| Boiler consumption per contra       | 27.14         | 16.18                             |
| Consumption of Stores<br>per contra | 15.85         | 24.23                             |
|                                     | <u>42.99</u>  | <u>8.05</u>                       |
|                                     | 521.08        | 369.15                            |
| Less : Transferred per Contra       |               |                                   |
| O B R                               | 4.06          | 10.27                             |
| Social Overhead                     | 57.31         | 49.67                             |
|                                     | <u>61.37</u>  | <u>59.94</u>                      |
|                                     | <u>459.71</u> | <u>309.21</u>                     |

## SCHEDULE TO PROFIT &amp; LOSS ACCOUNT (CONTD.)

## SCHEDULE -9

|                               |       | <u>Current year</u> |       | <u>( Rs. in lakhs )<br/>Previous year</u> |
|-------------------------------|-------|---------------------|-------|---|
| <b>REPAIRS</b>                |       |                     |       |   |
| Factory & Office Buildings    |       | 56.63               |       | 42.11                                     |
| Plant & Machinery             |       | 76.95               |       | 103.02                                    |
| P O L and Spares for Aircraft |       | 12.24               |       | 7.04                                      |
| Office Furniture & Equipment  |       | 17.31               |       | 14.19                                     |
| Vehicles                      |       | 21.88               |       | 20.10                                     |
| Township maintenance          |       | 66.81               |       | 64.63                                     |
| Others                        |       | 14.76               |       | 13.09                                     |
| Less : Transferred per contra |       | 266.58              |       | 264.18                                    |
| Other Expenditure             | 21.32 |                     | 20.10 |   |
| Social Overhead               | 66.81 |                     | 64.63 |   |
| Development                   | 0.56  | 88.69               | -     | 84.73                                     |
| <b>Total</b>                  |       | <b>177.89</b>       |       | <b>179.45</b>                             |

## SCHEDULE - 10

|                             |         | <u>Current year</u> |        | <u>( Rs. in lakhs )<br/>Previous year</u> |
|-----------------------------|---------|---------------------|--------|---|
| <b>CONTRACTUAL EXPENSES</b> |         |                     |        |   |
| Transport Charges           |         |                     | 174.40 |   |
| Coal, Coke etc.             | 283.84  |                     |        |   |
| Stores                      | 4.11    | 287.95              | 4.65   | 179.05                                    |
| Operation charges           |         | 172.29              |        | 142.35                                    |
| Overburden Removal          |         |                     |        |   |
| Coal                        | 103.26  |                     | 56.44  |   |
| Other                       | 1335.19 | 1438.45             | 627.17 | 683.61                                    |
| Other contractual work      |         | 104.70              |        | 113.04                                    |
|                             |         | 2003.39             |        | 1118.05                                   |
| Less : Transferred to       |         |                     |        |   |
| Development                 |         | 0.22                |        | -   |
| <b>Total</b>                |         | <b>2003.17</b>      |        | <b>1118.05</b>                            |

## SCHEDULE TO PROFIT &amp; LOSS ACCOUNT (CONTD.)

## SCHEDULE - 11

|   | Current year  | ( Rs. in lakhs )<br>Previous year |
|---|---------------|-----------------------------------|
| <b>SOCIAL OVERHEAD</b>  |               |                                   |
| Salary, Wages & Allowances per Contra   | 78.97         | 74.86                             |
| Free issue of Coal to employees per contra  | 108.19        | 104.82                            |
| Medical reimbursement   | 122.93        | 117.68                            |
| Canteen up-keep and refreshment   | 12.31         | 10.30                             |
| Grant to Schools and Institutions   | 36.64         | 81.07                             |
| Training Expenses   | 6.78          | 11.94                             |
| Repairs & Maintenance of Township and other Social Overhead Assets per contra     | 66.81         | 64.63                             |
| Depreciation on Social Overhead assets  | 43.05         | 47.18                             |
| Uniform   | 3.73          | 4.85                              |
| House Rent  | 29.47         | 40.30                             |
| Electricity charges for Hospital, Township and other welfare Buildings per contra | 57.31         | 49.67                             |
| Reimbursement for CMALSPF   | 3.80          | 2.70                              |
| Consumption of Stores per contra  | 35.33         | 26.78                             |
| Sports, Recreation of Grant   | 16.87         | 9.17                              |
| Transit Flat Expenses   | 8.71          | 5.22                              |
| Other Welfare expenses including Hindi language development Expenses              | 39.90         | 21.15                             |
|   | 670.80        | 672.32                            |
| <b>Less : Recoveries</b>  |               |                                   |
| Development   | 0.89          | —                                 |
| House Rent  | 8.36          | 5.25                              |
| Transit Flat Charges  | 1.83          | 1.56                              |
| Hospital Charges  | 2.21          | 1.97                              |
| Electricity & Water Charges   | 2.29          | 1.92                              |
| Others  | —             | 10.72                             |
|   | 15.58         | 0.02                              |
| <b>Total</b>  | <b>655.22</b> | <b>661.60</b>                     |

## SCHEDULE TO PROFIT &amp; LOSS ACCOUNT (CONTD.)

## SCHEDULE - 12

|  | Current year   | ( Rs. in lakhs )<br>Previous year |
|--|----------------|-----------------------------------|
| <b>INTEREST</b>  |                |                                   |
| <b>Government Loan :</b>                                   |                |                                   |
| Plan Loan  | 61220.30       | 56989.26                          |
| Non-plan loan (including<br>Rs. 5,807.58 lakhs per contra) | 6022.78        | 5999.21                           |
| Bank overdraft   | 3641.09        | 2367.45                           |
| Bonds  | 7200.00        | 2512.42                           |
| Public Deposit   | 466.78         | 345.00                            |
| <b>Intercompany/Financial Institution Loan :</b>           |                |                                   |
| O N G C  | 574.67         | 1450.00                           |
| Neyveli Lignite Corporation Loan                           | 164.11         | 78.47                             |
| Unit Trust of India  | 1525.48        | —                                 |
| Others   | 9.92           | 267.64                            |
|  | 80825.13       | 70009.45                          |
| Less : Recovered from Subsidiaries                         |                |                                   |
| Interest received  | 73216.42       | 62212.01                          |
| on short term Deposits                                     | 148.33         | 567.58                            |
| Transferred to OBR   | 27.50          | —                                 |
| Interest subsidy received                                  | 5807.58        | 5807.58                           |
| Rebate on Interest   | —              | 43.36                             |
| <b>Total</b>   | <b>1625.30</b> | <b>1378.92</b>                    |

## SCHEDULE - 13

| PROVISION            | Current year | ( Rs. in lakhs )<br>Previous year |
|----------------------|--------------|-----------------------------------|
|                      |              |                                   |
| Bad & Doubtful Debts | —            | 2.27                              |
| Doubtful Advances    | 36.14        | 47.01                             |
| Stores               | —            | 16.56                             |
|                      | <u>36.14</u> | <u>65.84</u>                      |

## SCHEDULE - 14

| Coal issued for other<br>Purposes per contra | Current year  | ( Rs. in lakhs )<br>Previous year |
|--|---------------|-----------------------------------|
|  |               |                                   |
| Brick making                                 | 14.72         | 9.61                              |
| Boiler consumption                           | 27.14         | 16.18                             |
| Free issue to employees                      | 108.19        | 104.82                            |
| For others                                   | —             | 3.38                              |
|  | <u>150.05</u> | <u>133.99</u>                     |
| Less : Transferred per contra                |               |                                   |
| Power & Fuel                                 | 27.14         | 16.18                             |
| Social Overhead                              | <u>108.19</u> | <u>104.82</u>                     |
|  | <u>14.72</u>  | <u>12.99</u>                      |

## SCHEDULE TO PROFIT &amp; LOSS ACCOUNT (Contd.)

## SCHEDULE - 15

|   | Current year | ( Rs. in lakhs )<br>Previous year |
|---|--------------|-----------------------------------|
| <b>OTHER EXPENDITURE</b>                |              |                                   |
| Travelling                              | 212.64       | 219.80                            |
| Printing & Stationery                   | 64.73        | 41.03                             |
| Postage & Telephone                     | 132.36       | 143.38                            |
| Freight Charges                         | 163.06       | 112.20                            |
| Advertisement                           | 148.64       | 242.86                            |
| Demurrage                               | 20.37        | 6.24                              |
| Rent                                    | 99.16        | 49.65                             |
| Insurance                               | 30.31        | 30.97                             |
| Rates & Taxes                           | 26.76        | 26.65                             |
| Legal Expenses                          | 9.00         | 7.64                              |
| Royalty & Cess                          | 11.68        | 11.62                             |
| Assam Land Tax                          | 22.63        | 22.43                             |
| Service charges of Holding Company      | 6.19         | 6.30                              |
| Exhibition Expenses                     | 0.15         | 9.25                              |
| Auditors' Remuneration                  |              |                                   |
| Audit Fees                              | 0.93         | 0.93                              |
| Travelling and out of pocket expenses   | 0.47         | 0.47                              |
| In other capacity (Tax Audit)           | 0.31         | 0.31                              |
| Management Audit                        | 1.71         | 1.08                              |
| Bank Charges                            | 22.60        | 14.17                             |
| Office Contingencies                    | 8.76         | 16.14                             |
| Computer Rent etc.                      | 50.65        | 50.55                             |
| Security Expenses                       | 2.31         | 1.58                              |
| Consultant/Retainer Fees                | 38.02        | 22.27                             |
| Hire charges                            | 35.20        | 94.60                             |
| Books & Periodicals                     | 5.47         | 6.10                              |
| Conference and Seminar                  | 2.18         | 12.66                             |
| Sales Tax                               | 2.40         | 4.70                              |
| Repairs and Maintenance of Cars & Jeeps |              |                                   |
| Petrol & Diesel                         | 29.92        | 26.99                             |
| Repairs                                 | 21.32        | 20.10                             |
| Others (Road Tax, Insurance etc.)       | 4.91         | 4.26                              |
| Rescue & Safety                         | 3.99         | 3.74                              |
| O B R ( Departmental)                   | 208.91       | 214.73                            |
| Turnover Tax                            | 23.46        | 17.82                             |
| Other Miscellaneous Expenses            | 84.19        | 52.35                             |
| Entertainment Expenses                  | 0.07         | 0.14                              |
|   | 1493.75      | 1496.98                           |
| Less : Transferred per contra :         |              |                                   |
| Development                             | 1.34         | 2.94                              |
| O B R                                   | 21.12        | 32.00                             |
|   | 1471.29      | 1462.04                           |

## SCHEDULE TO PROFIT &amp; LOSS ACCOUNT (CONTD.)

## SCHEDULE - 16

|   | Current year  | ( Rs. in lakhs )<br>Previous year |
|---|---------------|-----------------------------------|
| <b>FINANCE EXPENSES FOR BONDS AND PUBLIC DEPOSIT.</b> |               |                                   |
| Discount on issue of Bonds                            | 394.39        | 396.96                            |
| Guarantee Fees  | 100.00        | -                                 |
| Other Expenses for issue of Bonds and Public Deposit. | 9.54          | 54.91                             |
|   | <b>503.93</b> | <b>451.87</b>                     |
| Less : Recoveries made from Subsidiaries.             | 492.87        | 442.42                            |
|   | <b>11.06</b>  | <b>9.45</b>                       |

## SCHEDULE - 17

## PRIOR PERIOD ADJUSTMENT

## Debits :

|                                    |               |               |
|------------------------------------|---------------|---------------|
| Opening Stock of Coal, Coke etc.   | 14.97         | 33.63         |
| Employees' Remuneration & Benefits | 59.20         | 141.76        |
| Sale of Coal, Coke etc.            | 9.79          | (-) 0.15      |
| Interest on Bonds                  | 70.01         | —             |
| Financial Expenses                 | 1.97          | —             |
| Contractual Expenses               | 9.33          | 3.00          |
| Depreciation                       | 12.91         | 14.15         |
| Social Overhead                    | 1.75          | 4.38          |
| Repairs (Purchased)                | 4.08          | —             |
| Other Expenditure                  | 50.94         | (-) 2.46      |
| Other Receipts                     | 3.18          | —             |
| Apex Office charges                | —             | 156.25        |
|                                    | <b>238.13</b> | <b>350.56</b> |

## Credits :

|                                    |               |                   |
|------------------------------------|---------------|-------------------|
| Interest Waived                    | 229.21        | 79.04             |
| Subsidy for Protective Works       | 123.82        | (-) 46.20         |
| Consumption of Stores & Spareparts | 79.32         | (-) 43.17         |
| Purchase of Coal, Coke etc.        | 0.49          | (-) 8.79          |
| Recoveries from Subsidiaries :     |               |                   |
| Interest                           | 70.01         | —                 |
| Apex Office Charges                | 47.26         | 155.70            |
| Financial Expenses                 | 1.97          | —                 |
|                                    | <b>552.08</b> | <b>136.58</b>     |
| Net : Credit (+) / Debit (-)       | <b>313.95</b> | <b>(-) 213.98</b> |

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**ACCOUNTING POLICIES AND NOTES ON THE ACCOUNTS  
FOR THE YEAR ENDED 31ST MARCH, 1991**

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**SCHEDULE-N**

**A. ACCOUNTING POLICIES**

1. All expenses and income including for Projects/Mines under development are initially booked to the natural heads of accounts and then transferred to functional heads of accounts wherever necessary.
2.
  - i) Building includes cost of electrical fitting, water supply arrangement and sanitary fittings. Depreciation on such fittings and arrangements have been provided for at the rate prescribed for building in Schedule-XIV of the Companies Act, 1956.
  - ii) Payments made to Railway authorities are initially booked to "Railway Sidings under construction" and are shown under the head "Capital Work-in-progress". As and when Railway Siding is completed and put to use, the same is transferred to Railway Sidings completed under the head "Fixed Assets".
  - iii) Expenses net of income of the Projects/Mine under development including proportionate interest and administrative expenses capitalised are booked to development account by way of transfer from natural heads of income/expenses accounts.
  - iv) Installation expenses wherever done departmentally are not capitalised.
  - v) Subsidy and/or grants received on capital account are deducted from the cost of assets to which these relates.
3.
  - i) Stock of stores, spare parts, work-in-progress and other finished goods are valued at cost.
  - ii) Stock of Coal, Coke, CIL Coke, coke fines, coal tar etc. are valued at net realisable value. However, stock of coal, coke and coal fines at Dankuni Coal Complex and CIL are valued at cost.
  - iii) Book Stock of Coal, Coke etc. is taken for the purpose of Closing stock where the variance between book stock and physically verified stock is upto  $\pm 5\%$  and in case the variance is beyond  $\pm 5\%$  the physical stock is taken as closing stock.
  - iv) The stock of medicines excepting for Central Medical Hospital Stores and stock of Stationery are not considered for inventory purpose and is charged to revenue.
4.
  - i) Additional liability for Royalty, Cess, Sales Tax etc., if any, is accounted for in the year in which final assessment orders are received.
  - ii) Liabilities for Gratuity and Life Cover Scheme are accounted for in respect of amounts accrued and due but not paid as at the close of the year. However, Gratuity is not actuarially ascertained and accounted for.
5. In Opencast Mines, the cost of OBR is charged on average ratio evaluated on current working cost of removal of OB at each mine with due adjustment for advance stripping/ratio variance account.
6. (i) (a) Depreciation on Fixed Assets is charged on straightline method as per the rates specified for the corresponding assets in the Schedule-XIV to the Companies Act, 1956.

- (b) Depreciation on leasehold Land and Buildings is charged equitably over lease period.
- (c) Development and Propecting & Boring expenses are amortised over a period of 20 (twenty) years or Project life, whichever is lower.
- (ii) Coal issued to employees (free issue) and for Boiler consumption is accounted for on the basis of norms fixed by the Management and valued at relevant grades' selling price and the same is exhibited in the Accounts per contra.
- (iii) (a) This year there has been a review of interest allocation to the subsidiaries/units. Interest on Govt. loans, Intercompany Loans, Bank Overdraft, Bonds, Public Deposits net of rebate and interest received on short-term deposits for the year is allocated to the Subsidiaries and Units on the basis of total investments at the end of the year upto a specific date as determined by the Management (excluding investment against Non Plan Loans to concerned subsidiaries) taking into account the Debt-Equity Ratio as 1:1. Interest on Non-Plan Loans from Govt. to the extent Interest Subsidy and also the Interest Subsidy are allocated to ECL and BCCL in proportion to the Non-Plan supports given to them.
- (b) Apex Office charges are allocated to Subsidiaries and revenue mines directly under Coal India Ltd. in proportion to their production ratio for the year.
- (iv) No adjustment for the loss of the Subsidiary Companies is made in the Accounts of Coal India Limited.

## B. NOTES ON THE ACCOUNTS

1. (i) Title deeds for land acquired, in some cases, have not yet been executed in favour of the Company. This includes the land acquired at Dankini Coal Complex and made over to the Company by the Government of West Bengal. Pending final award of compensation, the liability, if any, on this account remains unascertained.
- (ii) The immovable properties vested with and owned by the Company under Coal Mines (Nationalisation) Act, 1973, have been depreciated in full excepting in some cases where a token value of Re.1/- per asset are being maintained in the Books of Accounts.
2. (i) The following provisions exist in the Accounts and are considered adequate to cover possible losses that may arise in future on disposal, recovery and adjustments against the assets concerned:

(Rupees in lakhs)

|  |            |
|--|------------|
| a) For stock of Coal, Coke etc., on account of deterioration due to fire and longer period of stocking | Rs. 253.83 |
| b) For stock of slow-moving/non-moving and obsolete stores and spares                                  | Rs. 35.28  |
| c) For bad and doubtful debts  | Rs. 53.51  |
| d) For bad and doubtful advances   | Rs. 167.33 |

- (ii) The closing stock of stores has been considered in the Accounts as per balances appearing in priced stores ledger of the Regional Stores and as per store records for stores lying at the Collieries/Units.
3. Pending registration of transfer of assets and liabilities of erstwhile C.M.A.L. and its Divisions, now Coal India Limited, the overdraft balance of Coal India Limited has been secured by creating charge against stock of Coal, stock of Stores & Spareparts and Book Debt of the Subsidiary Companies.

4. The Company has invited deposits from the Public as per provision of the Companies (Acceptance of Deposits) Rules, 1975 and received Rs. 3379.36 lakhs till the close of the financial year and the same has been shown under Unsecured Loan.
5. The Government of India, Ministry of Energy, Department of Coal, New Delhi, vide No. 28012 (3). 81-CA dated 5.3.1983 has introduced Retention Price Scheme and authorised Coal India Limited to operate the Coal Price Regulation Account on behalf of the Government of India. As per the said Scheme, the contribution to the Coal Price Retention Account during the year has been fully distributed to the claimant Subsidiary Companies/Unit and the balance of the said Account has become NIL as on 31st March, 1992.
6. An amount of Rs. 3.80 lakhs has been provided in the Accounts towards an estimated deficit in the Revenue Account of CMALSPF for the year 1991-92.
7. Pending decision of the Government of India on waiver of penal interest, payable, if any, on Rs. 1,096.00 lakhs interest on non-plan loan accrued but not due upto 31.3.1979, no provision has been made in the Accounts as per past practice. Subsidy for the interest on non-plan loan is being granted by the Government of India for the equivalent amount of interest due thereon every year since 1979-80.
8. The balances with the Subsidiary Companies have been reconciled but the final balances remained unconfirmed.
9. Directors are allowed to use the Company's cars for personal use for which recovery is being made.
10. Previous year's figures have been rearranged and regrouped wherever necessary.
11. The amount (including the amount on behalf of the Subsidiaries) remains to be executed on capital Account not provided is Rs. 15009.47 lakhs (previous year Rs. 12957.35 lakhs).
12. Claims against the Company not acknowledged as debts for Rs. 1042.41 lakhs. as against previous year figures of Rs. 321.38 lakhs
13. Company has issued on Private placement basis 13% non-convertible secured Bonds amounting to Rs. 450 crores and 9% (Tax-free) non-convertible secured Bonds of Rs. 150 crores both redeemable at par to Nationalised Banks/their subsidiaries and the said bonds are to be secured by equitable mortgage of fixed assets of Northern Coalfields Limited (a subsidiary of Coal India Limited)
14. Deduction w.e.f. 1.4.1989 @ 2% of Basic and D.A. made from the Wage, Board Employees covered by National Coal Wage Agreement towards the proposed Retirement Benefit Scheme amounting to Rs. 95.16 lakhs has been shown under current liabilities. Pending Govt. decision on the above scheme, Interest @ 8% has, however, been considered in the Accounts.
15. Total fund available with the Company against cash, bank balances, road coupons etc. taken over from the management period of non coking coal mins and credited to the "Amount Due to Govt. of India account" for Rs. 517.89 lakhs has been adjusted this year against Rs. 594.91 lakhs paid by the Company on behalf of Govt. of India towards amount due for management period surplus in respect of non-coking coal mines debiting "Amount Due to Govt. of India (Ex-Owner's Accounts)".
16. Claims receivable shown under Loans and Advances include Rs. 47.83 lakhs being the amount recoverable from GCGSC towards a shortfall of committed Gas ooff-take by them as per MOU dated 21.5.90. covering the period from 1st June '90 to 30th Nov. '90.

But no such penalty has been considered in accounts for the period from 1st December '90 to 31st March '92 as no firm and agreed Gas off-take schedule could be arrived at with the GCCSC for the said period.

17. In Dankuni Coal Complex, expenditure of revenue nature amounting to Rs. 1304.82 lakhs was deferred for amortisation within 3 years of commercial operation which started on and from 24.5.1990. Out of the said sum, Rs. 869.88 lakhs including Rs. 434.94 lakhs for the year) equal to two yearly instalments has been amortised and charged to Profit & Loss Account leaving a balance of Rs. 434.94 lakhs for amortisation in the next financial year.
18. Pending decision on Industrial D.A. for P.S.U.'s, the liabilities for increased D.A. if any, could not be ascertained and accounted for.
19. Remittance-in-transit includes a sum of Rs. 30 Lakhs lost in transit being the value of 4 (four) nos. Demand Drafts in respect of RSO Jaipur. The requisite Indemnity Bond as called for by the originating Bank has since been furnished and the duplicate Demand Drafts are in the process of being issued.
20. The Accounts together with Notes thereon approved by the Board of Directors of the Company in its meeting held on 29th August, 1992 and reported thereon by the Auditors on 9th September, 1992 have been revised to comply with the observations of the Comptroller and Auditor General of India and also of the Statutory Auditors.

The revision has affected the accounts for the year as follows:

(a) Profit & Loss Account:

The Loss of the Company has increased by (Rs. 35.10 lakhs at the instance of Comptroller and Auditor General of India and balance Rs. 0.63 lakhs as per observation of Statutory Auditors)

(b) Balance Sheet:

- |       |   |                  |
|-------|---|------------------|
| (i)   | Inventories have decreased by                       | Rs. 36.00 lakhs. |
| (ii)  | Loans & Advance have decreased by                   | Rs. 4.29 lakhs.  |
| (iii) | Curent Liabilities and provisions have decreased by | Rs. 4.56 lakhs.  |

(c) The Schedules to the Profit & Loss Account and Balance Sheet including Notes on the Accounts have been suitably amended/modified and additional disclosure made, wherever necessary.

Schedules A to M form part of the Balance Sheet as on 31st March, 1992, 1 to 17 form part of the Profit & Loss Account for the year ended on that date and Scheduled—'N' represents Accounting Policies and Explanatory Notes on the Accounts. Additional information required as per Schedule—VI (Part-II) of the Companies Act, 1956 are given in the Annexure to Schedule-N.

Signatures to Schedules A to N and 1 to 17.

Sd/-  
U.Suryanarayana  
Company Secretary

Sd/-  
S.V.R. Rao  
General Manager(F)

Sd/-  
P.K. Sengupta  
Director  
(Finance)

Sd/-  
S.K. Chowdhary  
Chairman

For J. Gupta & Co.  
Chartered Accountants  
Sd/- Dated 24.9.92  
(S. Chakrabarty)  
Partner

Calcutta  
The 23rd Sept., 1992

## STATEMENT PURSUANT TO SECTION 217(2A) OF COMPANIES ACT, 1956

### Annexure to Schedule - N

|       |  | (Rupees in lakhs)                 |                                    |
|-------|--|-----------------------------------|------------------------------------|
|       |  | Current year                      | Previous year                      |
| 1.    | Directors' Remuneration  |                                   |                                    |
| (i)   | Salaries   | 4.12                              | 3.28                               |
| (ii)  | Company's Contribution to Provident Fund & Other Funds   | 0.42                              | 0.28                               |
| (iii) | Medical benefits   | 0.09                              | 0.25                               |
| (iv)  | Perquisites  | 1.37                              | 0.80                               |
| 2.    | Particulars of employees who are in receipt of not less than Rs. 1,44,000 per annum or Rs. 12,000 per month (Previous year Rs. 1,44,000 and Rs. 12,000/- respectively) when employed for a part of the year. |                                   |                                    |
|       |  | Employed<br>Throught out the year | Employed<br>for part of the year   |
|       |  | 1991-92                           | 1990-91                            |
| (i)   | Number of employees  | 5                                 | 1                                  |
| (ii)  | Salaries, allowances, etc.<br>(Rupees in lakhs)  | 7.41                              | 1.60                               |
| (iii) | Contribution to provident<br>Fund (Rupees in lakhs)  | 0.49                              | 0.10                               |
| 3.    | The information required in paragraph 3 & 4 of part (ii) of the Schedule-vi of Companies Act, 1956, 3(b) value of imports on CIF basis.  |                                   |                                    |
|       |  | Current year                      | (Rupees in lakhs)<br>Previous Year |
| (i)   | Raw materials  | —                                 | —                                  |
| (ii)  | Capital goods  | —                                 | —                                  |
| (iii) | Stores, Spares & Components  | 6.88                              | 5.28                               |
| 4.    | Expenditure incurred in Foreign Currency on account of :   |                                   |                                    |
| (i)   | Know how   |                                   |                                    |
| (ii)  | Interest   |                                   |                                    |
| (iii) | Exchange variation   |                                   |                                    |
| (iv)  | Commission to Foreign Agents   |                                   |                                    |
| (v)   | Training expenses and payment to<br>Foreign Technicians  |                                   |                                    |
| (vi)  | Travelling   | 1.59                              | 66.98                              |
| (vii) | Medical Treatment  |                                   |                                    |
| 5.    | Earning in Foreign Exchange on account of  |                                   |                                    |
| (i)   | Export of Goods (Calculated on FOB basis)  |                                   |                                    |
| (ii)  | Exchange variation   |                                   |                                    |
| (iii) | Miscellaneous  |                                   |                                    |

(Rupees in lakhs)

## 6. Total consumption of Stores during the year :

|                | Current year  | Previous Year  |
|----------------|---------------|----------------|
| (a) Imported   | —             | —              |
| (b) Indigenous | 740.41 (100%) | 619.57 (100 %) |

Additional information required in paragraph 3 and 4 of Part-II of Schedule-VI to the companies Act, 1956 for the year ended 31st March, 1992.

7. (a) Installed Capacity Not applicable.  
 (b) Licenced Capacity Not applicable.

## 8. Statement of Opening Stock, Production, Purchases, Turnover and Closing Stock of Coal, Coke and Other Products &amp; by-products including its trading activities.

(Rs. in lakhs)

(Quantity in '000'M.T.)

|                                   | Current year |          | Previous Year |          |
|-----------------------------------|--------------|----------|---------------|----------|
|                                   | Gty.         | Value    | Gty.          | Value    |
| <b>Opening Stock :</b>            |              |          |               |          |
| Coal & Coke                       | 380.7        | 1833.49  | 642.9         | 3271.51  |
| Other Product & by-product        | 27.5         | 298.65   | 1.6           | 3.40     |
| <b>Production :</b>               |              |          |               |          |
| Coal & Coke                       | 950.6        | —        | 671.8         | —        |
| Other Product & by-product        | 232.3        | —        | 156.2         | —        |
| <b>Purchase :</b>                 |              |          |               |          |
| Coal & coke                       | 958.3        | 5672.86  | 1000.1        | 5290.81  |
| <b>Sales : (Excluding levies)</b> |              |          |               |          |
| Coal & coke                       | 1665.6       | 11371.75 | 1685.8        | 10888.80 |
| CIL Gas                           | 3291.8       | 801.97   | 205.0         | 195.50   |
| Other Product & by-Product        | 217.7        | 2250.17  | 135.0         | 1220.15  |
| <b>Own Consumption :</b>          |              |          |               |          |
| Free issue and Boiler             |              |          |               |          |
| Consumption                       | 25.0         | —        | 22.5          | —        |
| Plant Consumption of Coal         | 290.3        | —        | 203.8         | —        |
| Other plant consumption           |              | —        | 0.4           | —        |
| <b>Closing Stock :</b>            |              |          |               |          |
| Coal & Coke                       | 281.0        | 1553.41  | 349.3         | 1833.49  |
| Other Product & by-product        | 42.3         | 606.81   | 27.5          | 298.65   |

## STATEMENT PURSUANT TO SECTION 212(1) (E) OF THE COMPANIES ACT, 1956 AS AT 31ST MARCH, 1992

| Subsidiary<br>(Fully owned)                      | No. of Equity<br>Shares held<br>by Coal<br>India Ltd. | No. of Equity<br>Shares held by<br>CIL in nominees<br>Name | Total paid-up<br>value<br><br>Rs. in crores | Profit (+) Loss(-)<br>for the year ended<br>31-3-92<br><br>Rs. in crores |        | Profit (+) Loss(-)<br>balance as on 31-3-92<br>cumulative (after<br>Tax Provision and<br>Investment allowance<br>Reserve)<br>Rs. in crores |         |
|--|---|--|---|--|--------|--|---------|
|  |   |  |   |  |        |  |         |
| Eastern Coalfields Ltd.                          | 10389997  | 3  | 1039.00                                     | (+)  | 38.90  | (-)  | 804.17  |
| Bharat Coking Coal Ltd.                          | 11219997  | 3  | 1122.00                                     | (-)  | 48.12  | (-)  | 1086.13 |
| Centrall Coalfields Ltd.                         | 9399997   | 3  | 940.00                                      | (+)  | 103.77 | (-)  | 11.17   |
| Western Coalfields Ltd.                          | 7109997   | 3  | 711.00                                      | (+)  | 33.17  | (-)  | 206.10  |
| Northern Coalfields Ltd.                         | 11759997  | 3  | 1176.00                                     | (+)  | 34.24  | (+)  | 30.78   |
| South Eastern Coalfields<br>Ltd.                 | 11209997  | 3  | 1121.00                                     | (+)  | 25.61* | (-)  | 130.35  |
| Central Mine Planning &<br>Design Institute Ltd. | 190397  | 3  | 19.04                                       | (+)  | 2.12*  | (+)  | 11.42   |
| NEC/DCC/CIL                                      |   |  |   | (-)  | 22.62  | (-)  | 158.27  |
|  |   |  |   | (+)  | 167.07 | (-)  | 2353.99 |

\*Before tax provision for Rs. 0.46 crores (CMPDIL) and investment allowance reserve of Rs. 21.62 Crores (SECL)

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**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF  
INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON  
THE ACCOUNTS OF COAL INDIA LIMITED, CALCUTTA FOR THE YEAR  
ENDED 31ST MARCH, 1992**

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In view of the revision made in the accounts as a result of the observations made by the Comptroller and Auditor General of India as indicated in item No. II(36) of Annexure 'B' to the Auditors' Report to the Shareholders and Note No. 20 of Part B of Schedule N - Notes on the accounts, there are no further comments to offer upon or supplement to the Auditors' Report under Section 619(4) of the Companies Act, 1956 on the accounts of Coal India Limited for the year ended 31st March, 1992.

Dated, Calcutta,  
The 28th September, 1992.

(U. Bhattacharya)  
Pr. Director of Commercial  
Audit and Ex-officio Member,  
Audit Board - II, Calcutta.

## REVIEW OF THE ACCOUNTS OF COAL INDIA LIMITED FOR THE YEAR ENDED 31ST MARCH, 1992 BY COMPTROLLER AUDITOR GENERAL OF INDIA

### 1. FINANCIAL POSITION

The table below summarises the Financial Position of the Company under broad headings for the last three years.

|                                      | (Rs. in lakhs)    |                   |                   |
|--------------------------------------|-------------------|-------------------|-------------------|
| Liabilities                          | 1989-90           | 1990-91           | 1991-92           |
| a) Paid-up capital                   | 522386.40         | 571331.29         | 600075.71         |
| b) Reserves & Surplus                |                   |                   |                   |
| i) Free Reserves & Surplus           | —                 | —                 | —                 |
| ii) Committed reserves               | 344.77            | 344.77            | 445.22            |
| c) Borrowings from :                 |                   |                   |                   |
| i) Govt. of India                    | 374459.58         | 380427.11         | 387423.11         |
| ii) Others                           | 65108.55          | 96683.67          | 111986.95         |
| d) Current Liabilities & Provisions  | 87779.60          | 112093.25         | 123002.71         |
| <b>TOTAL</b>                         | <b>1050078.90</b> | <b>1160800.09</b> | <b>1222933.70</b> |
| <b>ASSETS :</b>                      |                   |                   |                   |
| e) Gross Block                       | 8205.08           | 18522.33          | 19769.63          |
| f) Less : Cumulative depreciation    | 2762.51           | 3721.07           | 4821.70           |
| g) Net Block                         | 5442.57           | 14801.26          | 14947.93          |
| h) Capital work-in-progress          | 12583.90          | 3834.39           | 3676.87           |
| i) Expenditure capitalised           | 2501.78           | 3727.42           | 2638.53           |
| j) Investments                       | 484416.70         | 569198.32         | 612805.63         |
| k) Current Assets & Loans & Advances | 534355.26         | 555753.11         | 573037.31         |
| l) Accumulated losses                | 10778.69          | 13565.59          | 15827.43          |
| <b>TOTAL</b>                         | <b>1050078.90</b> | <b>1160880.09</b> | <b>1222933.70</b> |
| Capital employed (g+k-d)             | 452018.23         | 458461.12         | 464982.53         |
| Net Worth (a+b) (i) - l(-d)          | 509105.93         | 554038.28         | 581609.75         |

### 2. SOURCES & USES OF FUNDS :

Funds amounting to Rs. 52244.78 lakhs from internal and external sources were realised and utilised during the year as given below :-

| Sources of Funds                          | (Rs. in lakhs)  |
|---|-----------------|
| a) Addition to paid-up capital            | 28744.42        |
| b) Addition to Reserves & Surplus         | 100.45          |
| c) Addition to borrowed funds             | 22299.28        |
| d) Addition to cumulative depreciation    | 1100.63         |
| <b>Total funds inflow during the year</b> | <b>52244.78</b> |

| Utilisation of Funds                                     | (Rs. in lakhs)  |
|--|-----------------|
| a) Addition to gross block                               | 1247.30         |
| b) Addition to Current Assets, Loans & Advances          | 17284.20        |
| c) Reduction in Capital work-in progress                 | (-) 157.52      |
| d) Addition to investments                               | 43607.31        |
| e) Less : increase in current liabilities and provisions | (-) 10909.46    |
| f) Decrease in expenditure capitalised                   | (-) 1088.89     |
| g) Increase in accumulated losses                        | 2261.84         |
| Total utilisation during the year                        | <b>52244.78</b> |

### 3. LIQUIDITY AND SOLVENCY

(a) The percentage of liquid assets i.e. current assets to total net assets was 2.09% as on 31.3.90 1.62% as on 31.3.91 and 0.85% as on 31.3.92.

(b) The percentage of current assets to current liabilities (including provisions) which is a measure of solvency was 25% in 1989-90, 16.80% in 1990-91 and 8.43% in 1991-92.

(c) The percentage of quick assets (Sundry debtors, loans and advances and cash & bank balances) to current liabilities (excluding provisions) which is another measures of solvency was 6% in 1991-92, 14% in 1990-91 and 21% in 1989-90.

### 4. WORKING RESULTS

The gross profit (after deducting interest and before deduction of depreciation from excess of income over expenditure) as a percentage of sales is a measure of return on capital employed.

|  | 1989-90  | 1990-91                                 | (Rs. in lakhs)<br>1991-92               |
|--|----------|---|---|
| i) Sales   | 11164.54 | 12304.45                                | 13923.89                                |
| ii) Gross profit as % of Sales                         | 3.82     | NIL<br>(There was loss<br>in this year) | NIL<br>(There was loss<br>in this year) |
| iii) Percentage of finished goods<br>in stock to sales | 29.33    | 17.63                                   | 15.73                                   |

### 5. SUNDRY DEBTORS

The percentage of Sundry Debtors to sales was 3.72 in 1989-90, 4.00 in 1990-91 and 6.49 in 1991-92.

Dated  
Calcutta 28 Sep. 1992

(U. Bhattacharya)  
Principal Director of Commercial Audit  
Ex-Officio Member, Audit Board - II,  
Calcutta

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**ADDENDUM TO DIRECTOR'S REPORT**

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**Auditors' Report**

To  
The Members of Coal India Limited  
10, Netaji Subhas Road,  
Calcutta-700 001

We have audited the attached Balance Sheet of Coal India Limited as at 31st March, 1992 and the annexed Profit & Loss Account for the year ended on that date in which are incorporated the accounts of North Eastern Coalfield, Dankuni Coal Complex, Coal India Limited Headquarters and Coal Marketing Organisation audited by us and the accounts of Regional Sales Offices and Delhi office of Coal India Ltd. audited by branch auditors in accordance with the letter of appointment No. C-033/2128844/90-IGC dt. 11.2.92 of Company Law Board, New Delhi. While preparing our report as under, we have given due consideration to the reports of branch auditors and incorporated the same in appropriate place. We report that :-

1. As required by the Manufacturing & Other Companies (Auditors' Report) order, 1988 issued by the Government of India in terms of Section-227(4A) of the Companies Act, 1956, we enclose in the annexure "A" a statement on the matters specified in paragraphs 4 & 5 of the said order.
2. Subject to our comments in the Annexure 'B' annexed and further to our comments in Annexure 'A', referred to in paragraph (1) above, we report that :
  - i) we have obtained all the information

and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

- ii) in our opinion proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of the books.
- iii) the balance sheet and profit & loss Account dealt with by this report are in agreement with the books of accounts.
- iv) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give information required by the Companies Act, 1956 in the manner so required and give a true and fair view;
  - a) in the case of balance sheet, of the state of affairs of the Company as at 31st March, 1992 and
  - b) in the case of profit & loss Account, of the loss for the year ended on that date.

For J. GUPTA & CO.  
Chartered Accountants

Calcutta :  
Dated the 24th day of  
Sept. 1992

(S. Chakraborty)  
Partner

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**ADDENDUM TO DIRECTORS' REPORT**

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**ANNEXURE - 'A'**

**Referred to in paragraph-1 of the Auditor's Report to the members of Coal India Ltd. on the account for the year ended 31st march, 1992**

**Management's Reply**

1. As explained to us, the Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets except at North Eastern Coalfields, CIL Hqrs (before 1985-86) some Regional Sales Offices and General manager's Offices at Delhi. However we are informed that list of year-wise additions are available. The Management has carried out the physical verification of some of its fixed assets during the year except at headquarters, Dankuni Coal Complex, most of the assets of North Eastern Coalfields and of some Regional Sales Offices. At Regional Sales Offices of W.B. Cell the assets verified are not reconciled with the books and records. In our opinion, the frequency of verification, wherever verified during the year, is reasonable having regard to the size of the Company and the nature of its fixed assets. The discrepancies were not noticed wherever book records reconciled with the physical balances.
2. None of the fixed assets have been revalued during the year.
3. The stocks of Coal, Coke, other by products and chemical have been physically verified by the Management during the year and/or after the end of the year except coal at some stockyards at Regional Sales Offices and also some by-products of Dankuni Coal Complex. Stores & spare parts have been physically verified during the year to the extent of 30% - 35% of items on perpetual inventory verification system although no written procedure or phasewise programme is made available. In our opinion, the frequency of verification is not reasonable in the light of ABC system of inventory control in case of stores and

Fixed Assets Registers are maintained at all the Units of CIL. The wanting details in respect of some of the Units are in the process of being collected to complete the Register in all respects. A programme to carry out physical verification of Assets at all the units and reconciliation thereof is under implementation.

No comments

(Physical verification has been done in most of the Stockyards. Those Stockyards not covered in 91-92 would be included in stock verification for 92-93.)

Perpetual Inventory system of verification of stores and spares is in vogue at all the stores depots in CIL. The system takes care of verification of all the items at DCC in about 2 years time in view of the large number of items involved for verification. This frequency of verification is considered adequate for the purpose of control. The opinion expressed by the Auditors in this regard is not quite clear.

spare parts and stocks at some stockyards at RSO Bhubaneswar and West Bengal Cell.

4. In our opinion and according to the information and explanation given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
5. The discrepancies noticed on verification of stocks between the physical stocks and book records were material in some cases and have been properly dealt with in the books of account.
6. On the basis of our examination of stock records, we are of the opinion that the valuation of stock is fair and proper except as indicated in Note No. II (10 & 11) of Annexure -B. The valuation is on the same basis as in the previous year.
7. We understand that the Company has not taken any Loans from Companies, firm or other parties listed in the register maintained under section 301 of the Companies Act, 1956. We also understand that there are no Companies under the same management as defined under section 370 (1-B) of the Companies Act, 1956.
8. The Company is providing funds to the subsidiaries in the nature of interest bearing loan to meet their capital and revenue expenditure. The rate of interest and other conditions of transfer of such funds are not prima facie prejudicial to the interest of the Company.
9. The company had deposited Rs. 110.00 crores with a bank last year and encashed during the year. The terms of deposit are prejudicial to the interest of the company in as much as the interest earned thereon is substantially lower than the interest paid on overdraft with Company's bankers. Similarly Rs. 13.11 crores invested by the Company under port-folio management scheme with wholly owned subsidiaries of nationalised banks to create fund for future resumption of Bonds carry substantially lower minimum return compared to interest paid by the Company on bank borrowings, although management feels

No comments

*No comments*

Coal Stores have been valued at net realisable price excluding levies. The method followed is consistent. The points raised by auditor to the effect that liability for Assam Land Tax should be provided on stocks is irrelevant considering the method followed for valuation of stocks.

It is expected that the Auditors have verified these aspects and satisfied themselves.

No comments

The amount of Rs. 110 crores is not in the nature of deposit out of Company's surplus funds but represents part of the package subscription against CIL Bonds (IInd Series) and is a lock-in Term Deposit with the nationalised Banks in terms of the package subscription offer accepted by the management. This has the approval of the Company's Board. This is not an uncommon feature in the process of raising funds against Public Sector Bond issues. The interest rates applicable to Term Deposits in Banks are governed by R.B.I. regulations/directions. Under the circumstances question of the transaction being prejudi-

that this investment was necessary to enable the company to meet its commitment to redeem the Bonds on maturity.

10. In our opinion, on the basis of sample checking made by us, and according to the information and explanations given to us.

i) internal control procedures with regard to purchase of stores and spare parts, plant and machinery, equipment and others assets made at RSOs and Dankuni Coal Complex are considered adequate but purchases at North Eastern Coalfield & those undertaken on behalf of the subsidiaries by material Management wing at Hqrs are not adequate to commensurate with the size of the Company and the nature of its business. Besides this, we have not been furnished with the purchase documents of the Aircraft acquired during the year.

ii) internal control procedures with regard to purchase of Coal and with regard to the sale of goods are adequate except for transportation of coal to stockyards at North Eastern Coalfields, where there is scope of reduction of substantial expenses on under-loading/overloading charge and on share by segregating the same at Colliery loading point, to commensurate with the size of the Company and the nature of its business.

11. In our opinion and according to the information and explanations given to us, there were no transactions for the purchase of goods and materials and sale of goods, materials and services in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000/- or more. However, the Company is purchasing coal from its subsidiaries at notified selling price.

12. From records made available to us, we could not ascertain whether the Company has unserviceable or damaged stores, coal and other by-products except at some of the RSOs, where adequate provision has been made in the accounts for the loss arising on the items so determined. Provision has also been made on ad-hoc basis at North Eastern coalfields for unserviceable or damaged stores.

cial to the interest of the Company does not arise.

The Company developed a Material Management Manual which comprehensively deals with purchase and stores management aspects. The purchase procedure adopted in terms of provisions of the manual have stood the test of time and has not attracted any adverse comment as to any inadequacy whatsoever. The purchase order and relevant document for acquisition of the aircraft were shown to the Auditors. Since all the vouchers were produced to them they should have seen the payment details and satisfied themselves.

Underloading charges are not entirely within the control of NEC as pilferage of coal takes place en route. However, all possible measures are taken to minimise under loading and over loading charges.

No comments

No comments

- |  |  |
|--|--|
| 13. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public except with regard to the issuance of advertisement within the stipulated period where some delay occurred. | No comments  |
| 14. In our opinion, reasonable records have been maintained by the Company for the sale and disposal of realisable by-products and scrap except some by-products in the nature of effluent at Dankuni Coal Complex which are released in the nearby canal although having some economic value.   | No comments. Regarding By Products at DCC, no By Product in the nature of effluent having any economic value is being released in the nearby canal.  |
| 15. The Company has an internal audit department but no internal audit has been conducted during the year as per information available with us.  | Internal audit has been conducted by the Departmental Internal Audit Wing during the year. The coverage of audit was, however, not extensive. Due to inadequate manpower it was decided to appoint outside Audit firms for carrying out internal audit job but for various reasons the appointment of firms for 91-92 could not be finalised and the same has been done for 1992-93. |
| 16. The maintenance of cost records has not been prescribed by the Central Govt. under section 209(1)(d) of the Companies Act, 1956.   | No comments  |
| 17. According to the records of the Company, provident fund dues have been regularly deposited during the year with the appropriate authorities except few delays in some cases. We have been informed that the Employees State Insurance Act is not applicable to the Company   | It was expected that the Auditors would verify Applicability of E.S.I. Act to the Company and satisfy themselves.  |
| 18. According to the information and explanation given to us, no undisputed amounts payable in respect of income-tax, wealth tax, customs duty and excise duty were outstanding, as at March 31, 1992, for a period of more than six months from the date they become payable except income tax deducted at source at two RSOs.  | No comments  |
| 19. According to the information and explanation given to us, no personal expenses of employees or directors have been noticed to have been charged to revenue account, other than those payable under contractual obligations or in accordance with   | No comments  |

generally accepted business practice. However, we are unable to opine to the extent the information/explanation not given to us with regard to expenses at headquarters, particularly for telephone and car expenses.

20. This is not a Sick Company in terms of the Sick Industrial Companies (Special Provisions) Act, 1985.

No comments

## ANNEXURE - "B"

**Referred to in paragraph '2' of the Auditors' Report to the members of Coal India Ltd. on the account for the year ended 31st March, 1992**

I Information/explanations have not been made available in respect of following :

1) There are material variation as regard actual production of Coal Fines and Light Oil in DCC compared to the norms fixed in the project report.

2) We are unable to ascertain whether all the SRVS raised at DCC for stores received during the year have been accounted for due to absence of any system of reconciliation in this regard.

3. Basis and details of provisions for deterioration of Coal, Coke etc. made at CIL (CMO) amounting to Rs. 120.50 lacs lying since last year has not been explained.

4. We have not verified the stock of stores lying unmoved since long valuing Rs. 4.98 lakhs lying in head quarter's books since no records/details/information/explanations of whatsoever nature have been furnished to us in this respect.

**5. Public deposits**

i) Accepted during the year

|                           |                  |
|---------------------------|------------------|
| a) As per bank statement  | Rs. 280.31 lakhs |
| b) As per stamp duty paid | Rs. 361.95 lakhs |
| c) As per brokerage paid  | Rs. 272.57 lakhs |

**Management's Reply**

All the books/registers/files/papers have been furnished to Audit. Moreover factual position have also been explained to Audit and in some cases number of times at different levels.

Due to inadequate gas offtake by the Greater Calcutta Gas Supply Ltd. which is the main outlet of gas distribution system, DCC had been running with its limited capacity keeping its maintenance process intact for technical reasons. Due to this imbalance in production level and maintenance, the norm fixed keeping in view full capacity operation could not be maintained in full.

All the SRVS raised during the year have been properly accounted for. Besides, all materials received upto 31.3.92 but SRVS raised subsequently have also been accounted for. DCC maintains a Goods Inward Register as a part of the system and all consignments received during the year are recorded in the register. A system exists to ensure that all entries made in the said register have been accounted for.

The basis and details of provisions have been furnished to Audit and explained to them in detail a number of times.

All relevant stores records are available at the stores at site and these could have been verified by the Auditors.

The figure reflected in the Accounts is fully reconciled with reference to various parameters. Full details in this regard have been shown and explained to the Auditors.

- d) As per registrars Rs. 260.38 lakhs
- e) As per Accounts Rs. 270.18 lakhs
- ii) Balance as on 31.3.92
  - a) As per Return of Deposits Rs. 3378.21 lakhs
  - b) As per Accounts Rs. 3379.38 lakhs

Return of Deposits had to be submitted on or before 30th June, 1992. Thereafter, minor adjustments had to be made based on final reconciliation of all Bank Accounts. Such type of adjustments do occur and get adjusted from time to time and will automatically be reflected in the return submitted from time to time.

- iii) Interest paid/payable on Public Deposits has not been reconciled with reference to the quantum of deposits accepted at different rates of interest. We have been informed that the Registrars to the deposits has not yet furnished the particulars. However, following appear in the record.

Interest paid/payable on deposit have been fully and correctly accounted in the year. A detailed register showing the deposits received in chronological order is maintained based on which interest warrants are prepared for payment. These were shown to Audit.

- a) As per Accounts Rs. 466.78 lacs
- b) As per detailed Register (sub ledger) not available.

- iv) Credit balances lying in Current Accounts with Scheduled banks for payment of interest warrants issued but not presented for payment have not been reconciled.

Interest amount payable to the depositors is placed initially at the credit of this account. The balance in this account reflects the interest outstanding for payment by Bank to the depositors at any given point of time. For want of details with the Bank Statement reconciliation was not complete.

- v) We have not been informed about the reasons for certain discrepancies in the Return of Deposits filed with Reserve Bank of India and for not informing the authorities for rectification thereof.

The position has been explained in para (ii) above.

- 6) Balances with suppliers, customers, contractors, Railway claims, government have not been confirmed except from some parties in North Eastern Coalfields.

Noted.

- 7) Debtors and Advances include certain old balances, the realisability and/or adjustability of the same appears to be not certain in some cases.

The matter will be pursued for adjustment/recovery.

- 8) Provision against doubtful debts and advances amounting to Rs. 53.51 lacs & Rs. 167.33 lacs respectively have not been linked to the specific debt or advance against which provision is lying.

All provisions made are against specific balances as explained to the Audit.

- 9) Contractwise value of material issued to contractors for Rs. 18.37 lakhs and CWIP (Civil) Rs. 552.33 lacs at NEC has not been made available.
- 10) Rs. 27.53 lakhs lying debited under the head Loans & Advances on account of advance for purchase in headquarter's books for payment made to a private party 5 years ago is lying unadjusted although the same does not relate to the Company. Further, no information about similar advances for by Rs. 12.05 lakhs are made available to us.
- 11) Rs. 15.98 lakhs receivable and Rs. 12.87 lakhs payable to port trust as per their accounts has not been accounted for by the Company.
- 12) Rs. 6.52 lakhs in Loans & Advances on account of Lighterage Deposit (including Rs. 4.00 lakhs paid to a private party last year) paid in earlier years is still lying unrealised/unadjusted/unconfirmed.
- 13) No document or evidences are made available to us for efforts made for realisation of following old amounts :
  - i) Rs. 3.47 lakhs from M.P. Govt. for flying charges
  - ii) Rs. 4.14 lakhs from Jessop & Co. for interest of 1990-91.
- 14) Names & addresses of the Creditors are not provided to us in respect of Rs. 243.78 lacs lying credited in other liability on account of Assam Land Tax collected from sale of coal raised prior to 14.1.90. The said amount would increase by Rs. 1.81 crores for the liability on unsold stock as on 31.3.92 presuming that the stock is out of current year's production.
- 15) There were several old liabilities which are neither being paid nor adjusted in the accounts. We have not been informed about the status of reconciliation which was stated to be in process last year by the management.

Details of WIP and materials issued to Contractors are available.

All Loans & Advances reflected in the Accounts relate to the Company. Efforts will be made for early adjustment/recovery of the amounts mentioned by the Auditors.

Adjustment of port charges is a continuous process. The volume of transactions in a year are heavy running into crores of rupees. Due to special efforts made during the year some old account have been adjusted. Efforts will be made to collect necessary details for the balance old transactions for adjustment.

The adjustment of lighterage deposits is a continuous process. Certain adjustment could not be carried out for want of details/papers which are in the process of collection.

- i) The matter has been taken up with appropriate authority for early recovery.
- ii) This was recovered through Singareni Collieries Company Limited within the Accounting year itself. Therefore, the Audit observation is incorrect.

This has arisen as the basis of collections is despatch, whereas the basis of Levy is production. Therefore, these collections cannot be linked with specific customers. Full liability on entire production has been considered in Accounts and creation of liability on stock also will mean duplication. This position was explained to Audit during the course of Audit and also at the time of discussion at various levels.

This is being looked into.

- 16) Details of Rs. 41.45 lakh lying credited to Govt. of India are not made available to us.
- 17) We have not been furnished with the records of legal cases, income-tax cases, arbitration and information of capital commitments and guarantees given by Govt. of India or others on behalf of the Company in favour of various parties and/or by the company in favour of others. As such, we are unable to comment on contingent liabilities disclosed in the accounts.
- 18) Rs. 466.31 lakhs lying credited to Sundry creditors for goods lying in head quarters' books represents the liability for coal bills of Regional Sales Offices. Since, the records relating to receipt of coal from subsidiaries etc. are lying at the respective RSOs and is not reported upon by branch auditors, being within their scope of audit, we have not varified the same.
- 19) We have not yet been furnished the bank statement/balance certificate/reconciliation with respect to overdraft with Grindlays Bank.
- 20) Terms of interest bearing advances to M/s. Jessop & Co. Ltd. amounting to Rs. 80.06 lakhs have not been informed to us.
- 21) We have not been provided with the list of MIS Reports generated in the Company and thus are deprived of the opportunity of reconciling the same with the books of accounts as additional tool to verify the truth & fairness of the accounts, and allied records particularly that of Central Marketing Organisation which operates on behalf of subsidiaries as well.
- 22) We have not been explained the reason for variation with last year in respect of different heads of accounts with variation exceeding  $\pm 10\%$ .
- 23) Documents in connection with expenditure on Foreign Service Contracts have not been shown.
- 24) We have not been furnished any information about treatment of Loan Agreement with EDC, Canada in Accounts.

Details were furnished to Audit.

List of pending all Law suits, capital commitments, contingent liabilities etc. have been furnished. The position of tax cases have also been furnished/explained.

Value of Accepted Bills for Purchase of Coal by RSOs is accounted under Purchase in the Accounts of RSOs with corresponding credit to C.I.L. for making payment. These transactions are very much audited by the Branch auditors for RSOs. Statutory Auditors also could audit these bills if they desired, as the accepted bills in original are available at CIL.

Bank balance certificates from Grindlays Bank was produced to Audit. Bank balance as per our Bank Book and Bank certificate was same.

All relevant papers concerning the said advance were produced to Audit.

MIS Reports were never asked for. These were, however, available for verification by the Audit.

No such information was asked for by the Auditors.

No such file/paper was ever asked for. All contracts with foreign organisations were, however, available for inspection.

No such information were ever asked for. Otherwise, these could have been furnished/explained to Audit.

- 25) We have not been furnished with the documents signifying the House Building and cars/Scooter advances are fully secured.

All documents/papers relating to Buildings, Cars/Scooters Advances have been provided to Audit.

## II Observations on accounts :

- 1) Rs. 20.58 lacs has been transferred from freehold land to leasehold land during the year. However, no material has been brought to our notice warranting such transfer.
- 2) We have not been furnished the title deeds of the land and buildings appearing in the accounts.
- 3) At NEC, 10.61 hectares of freehold land was physically verified but the same does not appear in the accounts.
- 4) Investments in Central Coalfields Ltd. amounting to Rs. 143.964 crores are still held in the name of Coal Mines Authority Limited instead of Coal India Limited consequent on the change of name of the Company from former to latter.
- 5) We have not been explained the reasons for keeping abnormally high balance in the Port Trust Authorities which has remained idle for substantial period, obviously, resulting in undue loss of interest of the company.
- 6) No provision has been made for the accumulated losses of M/s. Management and Technology Application (India) Ltd. where the Company has invested Rs. 1.63 lacs. The breakup value of such Investments as on 31.3.91 amounted to Rs. 0.75 lacs on the basis of information furnished to us.
- 7) At NEC, dumpwise quantity of coal, adopted for valuation purposes due to different rates applicable thereto, is discrepant by more than  $\pm 5\%$  with physical stock. The dumpwise book stock has been taken for valuation since the overall colliery stock is within  $\pm 5\%$  of the physical stock.

Transfer has been effected as these relate to Leasehold Land. No information or record was asked for by the audit.

Title Deeds of Land and Building have not been asked for. These are, however, available except in few cases which are in process of registration/collection.

(Our notes on B-1(i))

All Land acquired have been accounted for.

No comments

Certain time lag between date of deposit and the time of adjustment by Port Authority is inevitable with a view to avoid demurrage payments. However, the balance in the deposit Account as on 31.3.92 is quite small compared to the huge volume of transactions running to more than Rs. 100 crores which take place from year to year.

There is no such provision in the Companies Act, 1956 to adjust any such loss in the Accounts.

Stock of Coal, Coke etc. have been valued as per consistent practice and policy of the Company.

- 8) At DCC, production of Coal-tar and Sulphur sludge is still being booked on the basis of standard norms of conversion factor as well as operating experience, but not on physical measurement basis inspite of management assertion last year to regularise the same.
- 9) 6100.56 MT of coal at NEC with nil value opening stock of coal sold this year for Rs. 30.00 lakhs.
- 10) At NEC the stock of coal is valued at notified selling price which the management considers to be net realisable value excluding all levies including Assam Land Tax.
- 11) At NEC, liability for Assam Land Tax, on the Coal stock as on 31.3.92 has not been provided for since as per the records, it is signified that the said stock is out of stock as on the date of said levies come into force. The rate of valuation of stock during the year, has been revised from old notified price to new notified price increasing the profit for the year.
- 12) Railway Freight paid Rs. 41.83 lakh on stock at NEC stockyard has been shown under 'other Advance' instead of "Stock-in-trade".
- 13) Stock of coal, Coke etc. has been disclosed net of provisions.
- 14) Interest on cash credit account has additionally been debited by bank, over and above the Quarterly debit made, the details where of was not made available to us. However no such additional debit by bank was required since the company has provided fully on the basis of daily balances with the bank.
- i) Canara Bank Rs.16.97 lakhs
- ii) Punjab National Bank Rs. 0.41 lakhs
- iii) State Bank of India Rs. 68.38 lakhs
- Thus, there has been excess debit to Profit & Loss Account by Rs. 85.86 lakhs due to above. No material has been brought to our notice contrary to our observation.
- 15) We have been informed that Indian postal Orders amounting to Rs. 35537/- have been collected by the Company from
- This is being followed as per consistent practice. We have not noticed any material variance in this process so far.
- No comments
- No comments
- Stock of coal, coke etc. are valued at net realisable value as per consistent practice/policy of the Company. For the above propose levies are not to be considered as a prudent policy. As the valuation was done at net realisable value only, there was no overvaluation of stock and as such there is no increase in the profit for the year.
- Rly. freight paid and recoverable against stock at NEC are shown under Advances as per consistent practice.
- No comments
- Interest has been correctly accounted for. We have noticed a lot of calculation mistake in Auditors' workings. Hence, the difference.
- This is totally an incorrect and misleading statement. All the postal orders received upto 31.3.92 have been properly entered

23.1.92 to 31.3.92. However, the said Postal Order have not been accounted for as per the information available with us.

- 16) Fixed deposits with banks amounting to Rs. 21.88 lakhs for margin money against foreign letter of credit has been disclosed under 'Loan and Advances' instead of 'Bank Balances'. Further the purpose of keeping the fixed deposit of Rs. 21.25 lakhs is not explained although the payment against the relevant Foreign Letter of Credit has already been effected.
- 17) Other Deposits include several payments the particulars whereof are not made available to us and as such, we are unable to state whether any advances have been disclosed as Deposits.
- 18) Term Deposit with Bank for Bond Redemption signifies the deposits made under Portfolio Management Services with wholly owned subsidiaries of Nationalised Banks and includes accrued income on the basis of minimum assured return. The Quarterly statements of accounts as required to be furnished by them have not been furnished to us. As such, we are unable to verify the financial status of such deposit.
- 19) At NEC, Claim Receivable from Railways is understated to the extent of Rs. 8.77 lakhs (approx) for 958.6 M.T.
- 20) Interest accrued upto 31.3.92 on House Building, Motor Car and other conveyance loan granted to employees has not been provided for and the same is accounted for as and when received.
- 21) Current Account balances with Subsidiaries have not been fully reconciled/adjusted in as much as the reconciliation has not been made taking the final balances appearing in the book of the Company and that of the subsidiaries. The reconciliation has been made considering intermediary balances. The overall difference between the balances as on 31.3.92 is excess debit (net of credits) by the Company amount to

in the Cash Book. Voucher Nos. dates and amounts for Rs. 35,537/- have also been furnished to Audit.

It is not a Fixed Deposit but an interest bearing advance against margin money (i.e. paid to banks against foreign letter of credits). It can not be considered as part of the Bank Balance and as such correctly shown under "Loans and Advances".

All deposits are backed by payment vouchers with supporting papers. No advance has been booked as deposit.

No Comments. Regarding statement of investments it is stated that yearly statements have been shown to the Audit.

Claims receivable from Railways have been fully accounted for. The Auditors' figures are based on invalid assumptions and presumptions.

No Comments.

The Current Account balances with all Subsidiaries have been reconciled which is a continuous process. Substantial progress has already been achieved to reduce the items of transactions appearing in the reconciliation and efforts are also on to reduce it further. Also reference No. B.8. forming part of Accounts.

Rs. 47.41 crores which includes Rs. 112.23 lakhs excess debited by CIL (net of credits) which pertains to earlier years not yet adjusted.

- |   |  |
|---|--|
| 22) Bank guarantees taken from Customers/Suppliers/Contractors against Coal sale/order/contracts/tenders have not been disclosed in the accounts.   | No such disclosure in considered necessary or mandatory.   |
| 23) Debit/Credit balance with banks have some very old unadjusted items in reconciliation which we are informed to be still in the process of adjustment.   | No comments. Amount involved are, however, insignificant.  |
| 24) Cheque amounting to Rs. 379.12 lakhs issued to M/s. Chabank Financial Services Ltd. towards interest on bonds have since been cancelled on 10.4.92. However, the above still forms part of secured loans on the pretext that the cheques have been issued in 1992-93 in lieu of the cancelled cheque. | No comments.   |
| 25) Ad-hoc provision (without calculating actual liability) of Rs. 9.40 lacs for gratuity liability has been made for some of the employees whose services terminated during the year.  | No comments.   |
| 26) No provision has been made for the Company's contribution, if any payable towards the proposed post retirement benefit scheme w.e.f. 1.4.89 for which deductions are made from the wages of the employees covered by National Coal Wage Agreement at the rate of 2% of basic wages plus D.A.          | In the absence of any approved scheme, question of provision towards employer's contribution does not arise.   |
| 27) We have not been explained reasons for payment of rentals and demurrage for Port Trust godowns which forms substantial part of the total port trust charges at Calcutta Port Trust amount to Rs. 631.58 lakhs accounted for during the year.  | Rental and demurrage (in appropriate cases only) have been paid as per rules. Transactions with port trust are very voluminous and such expenditure can not be totally eliminated. This was incurred in the normal course of business. |
| 28) No provision has been made for the liability on actuarial valuation basis in respect of future payment of gratuity in respect of existing employees and same will be accounted for as and when the same becomes due for payment.  | No comments.   |
| 29) Previous year's figures where necessary have not been fully rearranged and regrouped in several cases.  | All necessary regrouping have been done and suitably disclosed.  |

30) Rs. 100.45 lacs being amount credited to Bond Redemption Reserve represents the minimum assured return on deposits made under port folio management scheme. In our opinion, the same should be credited to Profit & Loss Account.

It cannot be credited to Profit & Loss Account as the amount in question is intended for creation of Bond redemption fund.

31) Following figures included under different heads of 'Loans & Advances' and 'Current Liabilities' pertaining to branches have not been certified by the branch auditors

Branch Auditors certify the Branch Accounts and not each individual amount.

i) Loans & Advances Rs. 17.67 lacs

ii) Other Liabilities Rs. 12.09 lacs

32) Quantitative information regarding stock with respect to Madras & Hyderabad branches have not been certified by the branch auditors.

The information is very much available for certification.

33) Acquisition of a vehicle by Bhubaneswar branch has not been accounted for.

No vehicle acquired by RSO. Bhubaneswar remained unaccounted.

34) In the absence of confirmation from collieries for the supply of coal made to the customers directly in the territory of branches at Bombay, Ahmedabad, Bangalore, Madras & Hyderabad, it could not be verified whether the service charges have been accounted for.

This is being looked into.

35) Accumulated losses of subsidiaries as on 31.3.92 amounted to Rs. 2173.55 crores as per the latest accounts made available to us. The break up value of investment has depleted to that extent.

The Companies Act, 1956 does not require a Holding Company to adjust the loss of Subsidiary Companies. However, factual position has suitably been disclosed in our notes to the Accounts vide Note No. A6 (iv).

36) The balance sheet as at 31st March, 1992 and profit & loss account for the year ended on that date together with notes thereon which were approved by the Board of Directors of the Company on 29th August, 1992 and reported upon by us on 9th Sept, 1992 have been revised.

Actual fact has already been disclosed in our Note No. B20, forming part of the Account.

We are to state further that in view of the explanation subsequently furnished to us, we have suitably amended/modified our report dated 9th Sept, 1992. The revision has affected the accounts of the Company as follows :

Loss has gone up by Rs. 35.73 lakhs due to :-

i) additional provision of Rs. 36 lakhs for old coal stock at the instance of

No comments.

Comptroller & Auditor General for India :

- ii) decrease in interest payable to bankers Rs. 45.13 lakhs at our instance;
- iii) increase in interest payable to bankers by Rs. 4.96 lakhs at our instance;
- iv) decrease in recovery of interest from subsidiary Rs. 29.27 lakhs at our instance and subsequently confirmed by the Comptroller & Auditor General of India.

III Proper books of accounts are not kept in respect of following :

- 1) At NEC, following amounts appearing in Account could not be tallied with the books of accounts in as much as a particular account consists partly of two or more of the following amounts for which back up papers were not made.
 

|                      |                  |
|----------------------|------------------|
| a) Building Freehold | Rs. 1163.84 lacs |
| b) Development       | Rs. 2007.99 lacs |
| c) CWIP              | Rs. 552.33 Lacs  |
- 2) Difference between car expenses debited in accounts and as per departmental records at headquarter.
- 3) Difference between departmental records & the amounts appearing in accounts with regard to earnest money received by the Company at headquarter.
- 4) At Lucknow branch, sub-ledger for advances from customer is not reconciled with control accounts.
- 5) At Bhubaneswar branch, sub-ledger for sundry debtors and advances from customer are not reconciled with control accounts.
- 6) At West Bengal cell, inventory records and sub ledger of advance from customers and sundry creditors are not reconciled with control accounts.

Adjustment was made at the instance of commercial Audit.

No comments.

Adjustment carried out in the revised Accounts arising out of Commercial Audit observation has been properly and correctly disclosed in our Note No. B 20 forming part of the Accounts.

The figures shown in the accounts authenticated by the Statutory Auditors are very much as per the Books of Accounts maintained relating to the unit "NEC"

The Car expenses have been accounted for in the accounts based on the actual payments made and liability provided.

Earnest money actually received has been fully accounted for in the Accounts.

Reconciliation is in process

Reconciliation is in process

Reconciliation is in process

## ANNEXURE FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED 31-3-92

Information as per section 217(2)(A) of the  
Companies Act, 1956

Read with the Companies (particulars of Employees)  
Rules 1975, as amended in 1990

### (A) EMPLOYED THROUGHOUT THE FINANCIAL YEAR 1991-92

| Sl. No. | Name              | Designation        | Total Remuneration for the year/part of the year | Qualification  | Date of Joining of CIL | Date of Birth | Last employment held before joining the Company |
|---------|-------------------|--------------------|--|--|------------------------|---------------|---|
| 1.      | S/Shri R. Kanungo | Executive Director | 177830   | B.A., L.L.B.<br>Certificate in Management                                    | 7.5.86                 | 8.12.34       | NMDC  |
| 2.      | " B. Dev          | C.G.M.             | 155924   | Dip. in Mining<br>1st Class MMC  | 5.3.84                 | 23.11.39      | CCL   |
| 3.      | " J.K. Ghosh      | Addl. CPM          | 149481   | B.A. 1st Class<br>Dip. in S.W (L.W)  | 28.3.90                | 23.6.35       | DCC   |
| 4.      | " B.B. Bhat       | Addl. C.E. (E&M)   | 145573   | B.Sc. (Engg) (Elect)<br>M. Sc. -do- -do-<br>Fellow of Institute of Engineers | 21.10.88               | 7.10.38       | CCL   |
| 5.      | " R.G. Singh      | G.M.               | 160746   | B.A., MAS (IR & LW)  | 13.4.88                | 1.6.36        | BCCL  |

### (B) EMPLOYED FOR PART OF THE YEAR 1991-92

|    |                       |                                  |          |   |          |          |      |
|----|-----------------------|----------------------------------|----------|---|----------|----------|------|
| 1. | S/Shri S.K. Chowdhary | Chairman                         | 1,13,224 | B.Sc. (Hons) (Mining)   | 31.7.91  | 1.1.37   | CCL  |
| 2. | Dr. S.K. Ghosh        | Director (I)                     | 92,816   | 1st Class, B.Sc.<br>Mining (UK), PHD.<br>Mining (UK), AMI. Min(E)<br>(London) | 15.7.91  | 16.12.35 | BCCL |
| 3. | S/Shri U.K. Chowbey   | Director (P)                     | 1,79,889 | MA, BA, DSW   | 22.5.90  | 30.6.34  | CCL  |
| 4. | S/Shri P.K. Sengupta  | Director (F)                     | 1,30,217 | B.Com., I.C.W.A.  | 14.5.91  | 8.9.40   | ECL  |
| 5. | M.P. Narayanan        | Chairman<br>(Retired on 31.7.91) | 83,644   | 1st Class MMC of<br>Competency, FBIM (London)                                 | 15.11.88 | 15.7.33  | NCL  |